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TO ESTABLISH AN ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

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JOINT HEARINGS

BEFORE THE

INTERGOVERNMENTAL RELATIONS SUBCOMMITTEE OF THE HOUSE COMMITTEE ON GOVERNMENT OPERATIONS

AND THE

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

EIGHTY-SIXTH CONGRESS

FIRST SESSION

ON

H.R. 6904, H.R. 6905, and S. 2026

BILLS TO ESTABLISH AN ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

JUNE 16, 17, 19, AND 22, 1959

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TO ESTABLISH AN ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

(H.R. 6904, H.R. 6905, S. 2026)

TUSEDAY, JUNE 16, 1959

CONGRESS OF THE UNITED STATES,
INTERGOVERNMENTAL RELATIONS SUBCOMMITTEE
OF THE HOUSE COMMITTEE ON GOVERNMENT OPERATIONS,
AND SENATE COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The House subcommittee and the Senate committee met, pursuant to call, at 10 a.m., in the Old Supreme Court Chamber, U.S. Capitol Building, Representative L. H. Fountain presiding.

Present: Representatives Fountain, Dwyer, Smith, Langen; and Senator Muskie.

Also present: Dr. Delphis C. Goldberg, professional staff member, and James R. Naughton, counsel, Intergovernmental Relations Subcommittee; Walter L. Reynolds, staff director, and Dr. Eli E. Nobleman, professional staff member, Senate Committee on Government Operations.

Representative FOUNTAIN. The committee will come to order.

The hearings which begin this morning are being held jointly by the House Intergovernmental Relations Subcommittee and the Senate Committee on Government Operations. The purpose of these hearings is to obtain testimony on three identical bills—H.R. 6904, H.R. 6905, and S. 2026—to establish a permanent Advisory Commission on Intergovernmental Relations. The bills under consideration will be placed in the record at this point.

(The bills referred to, H.R. 6904, H.R. 6905, and S. 2026, are identical, therefore only H.R. 6904 follows:)

[H.R. 6904, 86th Cong., 1st sess.]

A BILL To establish an Advisory Commission on Intergovernmental Relations

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, hereinafter referred to as the "Commission".

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest cooperation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is es-

sential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance of its duties will—

(1) bring together representatives of the Federal, State, and local governments for the consideration of common problems;

(2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;

(3) give critical attention to the conditions and controls involved in the administration of Federal grant programs;

(4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;

(5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation, and

(6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions and responsibilities among the several levels of government.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of twenty-four members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be Members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;

(4) Four appointed by the President from a panel of at least six Governors submitted by the Governors' Conference;

(5) Three appointed by the President from a panel of at least five members of State legislative bodies submitted by the board of managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least six mayors submitted jointly by the American Municipal Association and the United States Conference of Mayors;

(7) One appointed by the President from a panel of at least two elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), and (6) of subsection (a), not more than two shall be from any one political party; of each class of members enumerated in paragraphs (5) and (6) of subsection (a), not more than one shall be from any one State; at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) The term of office of each member of the Commission shall be two years, but members shall be eligible for reappointment.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The President shall convene the Commission within ninety days following enactment of this Act, at such time and place as he may designate for the Commission's initial meeting. The President, or his designee, shall serve as the Commission's temporary Chairman pending the election of a permanent Chairman.

(b) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs 4, 5, and 6 of section 3(a), each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least one name more than the number of vacancies.

(d) Where any member ceases to serve in the official position from which originally appointed under section 3(a), his place on the Commission shall be deemed to be vacant.

(e) Twelve members of the Commission shall constitute a qourum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act;

(2) to consider, on its own initiative, ways and means for fostering better relations between the levels of government;

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6 (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of, and remove a staff director without regard to the civil service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil service laws and the Classification Act of 1949, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of, and remove such other personnel as he deems necessary

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals.

(e) Except as otherwise provided in this Act, persons in the employ of the Commission under subsections (c) and (d)(1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267),

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103),

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842).

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel expenses, including subsistence (or, in the alternative, a per diem in lieu of subsistence not to exceed the rate prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel

Expense Act of 1949, as amended (5 U.S.C. 835–842), the Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Representative FOUNTAIN. The bills before us are designed to carry out a recommendation of House Report No. 2533, which was unanimously adopted in August 1958 by the House Committee on Government Operations. That report on Federal-State-local relations, as many of you know, was based upon considerable study and extensive hearings conducted by our subcommittee both here and throughout the country.

An important function of the Commission would be that of bringing together Federal, State, and local officials on a continuing basis for discussion of the problems which concern all levels of government. Just as it is an impediment in international affairs, so, too, the lack of effective communication often contributes to misunderstandings in our domestic relations and sometimes even promotes hostility between levels of government. It is my hope that by periodically bringing together Federal, State, and local officials, representing both the executive and legislative branches, the Commission would provide a favorable atmosphere for promoting mutual understanding and would help to produce a smoother functioning of our Federal system. One of the best ways to avoid undue centralization of government, in my judgment, is to provide effective channels of communication and to encourage joint discussion of intergovernmental problems by the representatives of all levels of government.

Invitations to testify in these hearings have been sent to each of the Governors and to the Council of State Governments, as well as to the several organizations which represent the cities and counties. Invitations were also sent to all of the members of State legislatures who had participated in the subcommittee's regional hearings. In addition, interested organizations and individuals have been encouraged to submit statements on the bills under consideration this morning.

We have been informed that Gov. Foster Furcolo of Massachusetts, who was to have testified this morning, has been unavoidably detained by State business. However, the Governor's office is trying to work out his schedule so that he might appear at one of our later hearings. If that does not prove possible, the Governor has indicated that he will submit a statement.

The subcommittee is honored to have the distinguished Senator and former Governor of the State of Maine representing the Senate Committee on Government Operations in these hearings. Senator

Muskie, I might observe, has been joined by 25 cosponsors in introducing his bill, S. 2026.

Before calling our first witness, I am going to yield to Senator Muskie for any statement he may care to make.

Senator MUSKIE. Thank you, Congressman Fountain.

I might say at the outset that it is a privilege for me to participate in this culmination of your work of the past 2 years. I followed that work as Governor, although I wasn't able to testify at any of your hearings.

I am happy to associate myself with the remarks that you have made in your statement.

People look at this problem of intergovernmental relations from many points of view. There are wide differences of opinion as to what each of the three levels of government ought to do in the way of service. Some people feel that the Federal Government is doing too much; some people feel that the State governments are not doing enough; some people feel that there is a deterioration of responsibility in local government.

All too often, I think, there is a tendency to think of intergovernmental relations in terms of arbitrarily reallocating responsibilities from one level to another.

I think efforts of this kind have been made several times, as your subcommittee brought out in the course of its hearings, over a considerable period of time.

This approach never produces desirable results. We have actually not three systems of government, but one, inextricably interwoven, under our constitutional system. Yet we have no effective means at any one place of taking the long view of the interrelationship between these levels of government.

I think we ought to think of it as one system performing all of the services which the American people think that government ought to perform, but it is this problem of the interrelationship of these levels of government to which this legislation is addressed, not in terms, necessarily as I see it, of recommending a reallocation of functions, although that may be a result, but in terms of working out a smooth relationship between these various levels.

The Governors' Conference over the past 4 years has been very closely interested in this problem. As your subcommittee notes in its report, a joint task force was set up 2 years ago pursuant to the recommendation of the President, a force made up of State Governors and representatives of Federal agencies, with the purpose of recommending a reallocation of functions.

Two Governors' Conferences have discussed this problem. It has been discussed as well in the executive committee of the national Governors' Conference.

I think it is significant that although this work has been going on in the national Governors' Conference for 2 years, no concrete results have been developed.

I think this points up what I said earlier, that this approach rarely, if ever, works. I hope that in the course of these hearings we may pinpoint some of the practical and realistic approaches that may be made toward the problem of bringing these levels of government closer together and working more effectively and efficiently together.

I think it is interesting that on the Senate side we have these 25 cosponsors. No particular effort was made to interest the Senators cosponsoring it. I think we did solicit maybe half a dozen Senators to participate in this legislation, but the subject itself apparently had such interest for these other Senators who cosponsored that they spontaneously came forward. Not all of them have the same philosophy of government; not all of them have the same view as to what the various levels of government ought to be doing, but they all recognized that an examination of this problem can be productive of greater efficiency and greater economy in the Government.

I was also privileged to invite all of the Governors of the 49 States to participate in these hearings. My personal relationship with them over the past 4 years made this a pleasant task as well as, I hope, a constructive effort.

I am interested in the replies which we are receiving. By and large, these letters are approving of this effort and in the course of the morning I think that we will insert some of these statements in the record.

Representative FOUNTAIN. Thank you very much, Senator Muskie.

I had occasion, incidentally, to speak to the North Carolina Association of County Commissioners in Asheville, N.C., yesterday, and the one thing that I attempted to point out was that in our Federal system, if it is to function efficiently and effectively, we must have cooperation and harmonious working relationships between the various levels of government. I think on that point they all agreed.

We have on our subcommittee the distinguished gentlewoman from New Jersey, Mrs. Dwyer, who has been most active in our work and who has attended almost all of our hearings. She has made a valuable contribution to the work of our subcommittee on the subject of Federal-State-local relations.

I wonder if Mrs. Dwyer would like to make a statement at this time.

Representative DWYER. Thank you, Mr. Chairman, Senator Muskie.

At the outset of these hearings, I should like to state in a very few words what I understand to be the purpose of the legislation we have introduced—both in terms of what it is and what it is not.

The Advisory Commission on Intergovernmental Relations would be essentially, as its name implies, a study group, a thinking and informing group.

It would not be an action group, in the sense of having executive-type responsibilities. Hence, there would be no real temptation to expand or mushroom as bureaucratic organizations are sometimes prone to do.

The membership of the Advisory Commission would be drawn from among active and responsible public officials at all levels of Government—Federal, State, county, and municipal. Thus, the contributions of people directly involved with the problems under consideration would gain immensely in immediacy and relevancy and practicality.

The Advisory Commission would be established neither to expand the use of Federal grant-in-aid programs nor to restrict them. Its purpose would be to improve them: by better planning based on hitherto unavailable information and data; by a wider, more timely

exchange of information among affected governmental units; by more consistent definition of the purposes and limitations of grants-in-aid; by utilizing available experience to determine the most effective criteria, standards, and principles to govern the operation and discontinuance of specific grant programs.

It is generally accepted that the Federal grant method of cooperating with State and local governments has achieved a great deal of good.

The time has come to establish a continuing means whereby grants-in-aid can be made to accomplish their purposes with maximum effectiveness and efficiency and at minimum expense and interference.

Our federal system of government is often praised and sworn by. Here, it seems to me, is an opportunity to strengthen it for the challenging days ahead.

Representative FOUNTAIN. Thank you very much, Mrs. Dwyer.

Does any other member of the committee desire to make a statement before we proceed?

Representative SMITH. I would like to associate myself with the remarks made by the Chairman and Mrs. Dwyer and Senator Muskie. Any time I might take in repeating any of these points would be a mere duplication on my part.

Representative FOUNTAIN. Preliminaries having been disposed of, we will call our first witness. Since that witness is the distinguished first citizen of the State of one of our subcommittee members, Congressman Neal Smith, I am going to ask Mr. Smith if he will present the witness.

Representative SMITH. I will be very glad to.

As I have just said, I think the statements that you made have provided very good foundation for this hearing and I think that it is also very timely.

I think it is fine that we have as our first witness a man who has experienced municipal-State problems. It has been alleged that he is increasingly interested in national problems, but be that as it may, as a mayor of a city in Iowa and having been Governor during two terms in the legislature and still the Governor of the State of Iowa, he has become well aware of the problems that are involved and the work that this kind of a commission would intend to do.

It is my pleasure to present to you at this time Governor Loveless of the State of Iowa.

STATEMENT OF HON. HERSCHEL C. LOVELESS, GOVERNOR OF THE STATE OF IOWA

Representative FOUNTAIN. Governor Loveless, it is a real pleasure to have you with us again.

I am sure I speak for other members of the committee as well as myself when I say that we appreciate very much the constructive interest you have given to the problems of intergovernmental relationships and the very substantial assistance you have given the subcommittee in its work on this subject.

We found your testimony in our hearings in Kansas City in 1957 to be very helpful. In fact, there were many complimentary remarks from Members of Congress about your testimony. We are very glad

to have an opportunity to get your advice on the legislation which we are now considering.

I might add that we are also pleased, as I have already mentioned, that we now have a member of the subcommittee from your State who is doing a splendid job, not only as a member of this subcommittee and the full Committee on Government Operations, but as a Member of Congress. I am sure it comes as no surprise to you when I say these things and point out that he is a very hard-working Member of the Congress.

We are very happy to have you with us, and you may now proceed.

Governor LOVELESS. Thank you, Congressman Fountain.

Senator MUSKIE. May I add that I am particularly happy to welcome Governor Loveless to this hearing. I have had a very pleasant relationship with him over the past 2 years.

I think it ought to be indicated on the record that Governor Loveless' opinions ought to be given particular weight because he is really an exponent of efficiency and economy in Government. He has had experience in two legislatures.

Now he has managed to get through without asking for more taxes, which I think is sort of a hallmark in this day of rising taxes.

So we await your opinions, Herschel, with a great deal of interest.

Governor LOVELESS. Thank you, Senator Muskie.

Members of the committee, I am privileged by this opportunity to testify before you this morning concerning the proposed establishment of a permanent Advisory Commission on Intergovernmental Relations, as provided for in H.R. 6904, H.R. 6905, and S. 2026.

The statements concerning the need for this legislation that have already been made by Senator Muskie, Senator Case, Congressman Fountain, and the other distinguished sponsors of this measure have been admirably clear and convincing. I do not flatter myself by believing that I can add anything of startling originality to these statements and to the impressive report submitted by the Intergovernmental Relations Subcommittee. My purpose, rather, is simply to try to bring to you a viewpoint that I feel to be fairly representative of the State of Iowa. This viewpoint has been formed from my own personal experience in municipal and State government and from consultation with those department heads of our State government who have had the most extensive experience with shared responsibility programs.

Whenever a new governmental agency is proposed—particularly a board or commission—there are always those persons who throw up their hands in holy horror and say: "What, another one?" Quite frankly, I am one of those persons myself.

But where the need for a specific service exists, and there is no other agency meeting this need, then I feel we must relax our rule-of-thumb prejudice against new commissions. As you all know, a number of important studies have been made of intergovernmental relations in recent years. As I read the record, these studies—especially the work of the Kestnbaum Commission and the House Intergovernmental Relations Subcommittee—strongly establish the existence of this need. I have no hesitancy in telling you that my experience on the State level in Iowa bears this out.

The people of the State of Iowa are jealous, and rightly so, I think, of the prerogatives of State and local government. They would say a fervent "Amen" to the statement in the subcommittee's report which accepts "as a guiding principle the belief that strong local self-government is essential in a democratic society."

But even if one were a radical exponent of States rights—and which most of our people are not—this would not be a valid reason for opposing the establishment of this permanent Advisory Commission you are considering today. An ounce of knowledge is worth a ton of prejudice in protecting the legitimate interests of sound local government. At the present time, there is no clearinghouse of information, no agency that can supply detailed and authoritative data on the complex intergovernmental relationships under our Federal system. In my opinion, the proposed bipartisan Commission would serve an extremely useful purpose to State and local officials, and would actually provide an effective means of protecting their prerogatives.

We are not, at this juncture, debating the merits or lack of merits of shared responsibility programs. These programs we already have, and they are big and complex. They are costly, of course.

I do not for a moment believe that the people of our State are foolish enough to believe that Federal money is "free" money. We realize that we pay our share of governmental expenditures on all levels.

But in the existing framework of intergovernmental operations, who can estimate the saving to the taxpayer of a closer coordination between Federal, State, and local government, the elimination of duplications, and the exploitation of the vast potential of united effort?

Coordination is an urgent need between the agencies of government at any level. It is an equally urgent need between the levels of government.

The proposed Federal Advisory Commission could serve an invaluable function in encouraging and pointing the way for increased coordination. And I feel sure that such a service would result in substantial economies for the long-suffering taxpayer.

We live in a time of bewildering change and complexity. Almost every new public problem that arises—radiation hazard, for example—involves government at all levels. An impartial agency is needed to encourage cooperation rather than division between Federal, State, and local government, if we are to meet these new problems with maximum effectiveness.

A further important educational service could be provided in the clarification of the functions of the various levels of government for public information. Every thoughtful person is concerned these days, I believe, with the widespread indifference among our people concerning public affairs. This indifference is due in part to their loss of confidence in the value of their individual effort. Our individuality tends to be swallowed up in bigness—big scientific achievements, big business, big labor, and, of course, big government. A clarification of the functions of government on the various levels would, I think, tend to offset this indifference. It would help restore the individual citizen's sense of identity in relation to government, and this in turn would tend to restore his faith in the worth of individual effort. In

my opinion, a better knowledge of intergovernmental relationships on the part of the general public would be of distinct value to the functioning of our democracy.

In Iowa during the past couple of years a great part of my effort has been directed to the job of bringing about better coordination between the various agencies within the State government. Now we are shifting our emphasis on closer teamwork between State and local agencies. Many of our most serious problems in such areas, for example, as law enforcement, welfare, education, and conservation will, I am confident, be greatly helped by breaking down barriers and promoting mutual understanding. Such situations between officials working in different levels of government develop because of lack of communication and insufficient knowledge of each other's problems. The obvious answer is for the representatives of the various levels of government to get together and resolve their differences. I believe the proposed Advisory Commission could provide an excellent medium for bringing together representatives of State, Federal, and local government under the most favorable circumstances possible.

In Iowa, our 58th general assembly has rather recently adjourned. As I look back over this session, I am thoroughly convinced that more accurate and comprehensive information on intergovernmental problems—grants-in-aid, for example—would have been of the greatest help to our legislators. We urgently need a clearinghouse for such information, and the proposed Advisory Commission could serve as such a clearinghouse.

During debate in this legislative session, one well-meaning legislator opposed a Federal shared-responsibility program that was under consideration on the basis that it might cost the State $6 or $8 million. The highest informed estimate the departmental experts could arrive at for this program was $600,000. An official source of information was needed to confirm the figure. A well-drawn county reorganization bill was defeated on the grounds that it would infringe on the authority of local government. The proponents of the bill did a good job of presenting the measure, but if they could have cited comparative facts and figures on county reorganization, identifying the source of the information as an authoritative, impartial commission on intergovernmental relations, I believe the outcome in the case of this particular legislation might have been different.

I believe that almost everyone would agree that one of the vital needs in all strata of government is for longer range planning. Conditions change so rapidly, we need to look ahead in both our legislative and administrative programs. Short-range, temporizing programs are apt to be costly and inefficient. Yet it is difficult to sell long-range programs to State legislatures and even to departmental heads. Many problems could be averted in such fields of shared responsibility as public welfare, employment security, and public health, if we would use a little more foresight.

H.R. 6904 and its companion bills propose that the Advisory Commission would encourage discussion and study at an early stage of crucial public problems that will be of mutual concern to all levels of Government in years ahead. This service, I am convinced, would have a favorable influence on both efficiency and economy in Government operations.

Through the years I have noted that congressional committees strive very diligently to obtain State and local viewpoints for reference in arriving at legislative decisions. The fact that you have invited me here today attests to your desire to give fair consideration to regional opinion. It strikes me that the proposed Advisory Commission might be a logical medium for providing information to committees of Congress on State and local government views on intergovernmental problems. As I understand it, the Commission would also have facilities, as proposed, to make available technical assistance to congressional committees in assessing the overall effects of legislative proposals on State government. The Commission could encourage coordination of grant programs and the elimination of contradictory or conflicting grant formulas from program to program.

A typical area in which there is a tremendous need for an exhaustive, unbiased survey is in the field of residence requirements in public assistance programs. This matter is of vital concern to every State and county in the Nation, as well as to the Federal Government. As you may know, the Governors' Conference has appointed a committee to study certain aspects of this problem and formulate recommendations for establishing more uniform and equitable residence requirements between the States. This is one of many vitally important phases of intergovernmental responsibility in which the proposed Advisory Commission could usefully function to the benefit of all concerned.

Excellent and far reaching though the work of the Intergovernmental Relations Subcommittee has been, it has, as its report indicates, covered only a part of the vast field of intergovernmental relationships. Its work was largely concentrated on Federal grant-in-aid programs. But in the preface to the subcommittee's report it is pointed out that there are also many nongrant areas, including "regulatory activities, law enforcement, water and other natural-resource policies, and the management of public lands and military installations."

The Kestnbaum Commission, for its part, made a more general evaluation of intergovernmental responsibilities and relationships under our Federal system. I believe it should be obvious to anyone familiar with the subject that these two great studies, monumental though they have been, have only scratched the surface of the vast and changing field of intergovernmental relations.

The refinement of the science of intergovernmental relations, I am firmly convinced, is an important key to the future success of Government under our Federal system. To compete with totalitarian nations, who command certain efficiencies, however repugnant their philosophy may be to us, we too must develop new methods of obtaining economy and efficiency in our democratic system. Studious efforts to improve coordination and eliminate duplications between the levels of government, both in regulatory functions and in meeting human needs, will, I am convinced, do wonders toward obtaining these results.

Of course, today, as heretofore in our democracy, our problem is a dual one. We do not propose to sacrifice any of our basic liberties under the federal system in our zeal to make government work more efficiently. But, as I have stated earlier, I am convinced that the

true prerogatives of State and local government can best be preserved by constant study and reevaluation of the appropriate roles of each level of government in the complicated pattern of intergovernmental relations.

Additional studies performed by temporary commissions and ad hoc committees cannot do the job. The face of government changes too rapidly. A permanent, impartial agency, equipped with the necessary resources, is required for this important work. I submit to you that the proposed Advisory Commission on Intergovernmental Relations is the logical answer.

The privilege of appearing before this distinguished body and the courteous reception you have accorded me serve to strengthen my faith in the ability of the various levels of our government to work together for the common good. Thank you.

Representative FOUNTAIN. Thank you very much, Governor Loveless, for a splendid statement.

I note that you have given us a number of specific situations in which a permanent advisory body could help improve relationships between the levels of government. It is noteworthy that in recommending the establishment of such a body, our committee reported that although occasional studies and ad hoc committees serve a useful purpose, they are not an effective substitute for continuous review of intergovernmental programs and problems from the standpoint of the federal system as a whole.

I am sure some of the members of the committee have questions they would like to ask.

Senator Muskie.

Senator MUSKIE. Governor, I noticed that you have referred in your statement to the work of the Fountain subcommittee as well as to the work of the Kestnbaum Commission.

The immediate reaction of some to this proposed legislation is that it might duplicate work that has already been done. You have indicated in your statement that you do not think that this would be a duplication with respect to the work of these two organizations.

Now, I wonder if you have any reaction to this: whether or not this would be a duplication of the work of the joint task force which was set up under the sponsorship of both the President and of the Governors' Conference.

Governor LOVELESS. Senator, it might be considered a duplication with this one exception: The task force has not been too effective in bringing about solutions to a great number of these problems, and I have the feeling it is because of a basic lack of complete knowledge in the given subjects under discussion.

The lack of communication between agencies—and I am talking about my home State now, I am not talking about the Federal Government—has amazed me. I think, as I told Congressman Fountain's group in Kansas City, I found that some of them didn't know each other and they had been in government for 20 years. As a result, without any acquaintanceship, they knew nothing about each other's functions.

The Kestnbaum Commission's report is pretty general in nature. I think you must get down to pinpointing these particular things. Generalizations just do not do the job.

Senator MUSKIE. The joint task force, as you know, recommended the turning back of certain specific functions of the Federal Government to the States and also made a recommendation for the Federal Government to step out, or at least step out partially, from the telephone tax field in order to turn over tax resources to local governments.

I wonder if you concur in my judgment on this point—I think that the Governors' Conference refused to go along with that recommendation, or at least failed to go along with that recommendation because the net result would have been the creation of additional burdens for the State governments least able to bear them. I wonder if you concur in that and what the impact of that report would have been on the State of Iowa.

Governor LOVELESS. Well, basically, I think we have to be practical in this thing of government, and I think we must readily recognize that a great multitude of the programs now in existence are shared responsibility programs which would become nonexistent were it not for the shared responsibility.

The competitiveness between States in this thing of taxes makes this a crucial problem.

I think, Senator, that the recognition of that would probably be the major reason for the Governors' Conference not being unanimous in the supporting of these particular programs that were mentioned to be turned back to the individual States and the source of revenue turned back; because, I would guess, in some States this source of revenue would become nonexistent unless the Federal Government returned the bulk which the proposal, if I recall the proposal correctly, would still collect, but would be reallocated to the States.

So I just cannot quite see any conflict between such a commission and the proposal here, or the advisory group, with anything that has been done up to now.

Senator MUSKIE. I think it is interesting to know, and you may not be aware of this, Governor, that the joint task force is now shifting its emphasis. It is not addressing its attention so much to the proposal for reallocating Federal functions to the Statees as it is to working in the very area that is covered by this proposed legislation—that is, to improving the practical working relationships between the various levels of government.

I was interested in one of the statements that you made in your statement, Governor. You made this point:

> To compete with totalitarian nations, who command certain efficiencies, however repugnant their philosophy may be to us, we too must develop new methods of obtaining economy and efficiency in our democratic system.

I think this pinpoints the broad, overall problem that we face. It seems to me that we have two problems in this connection.

First of all, with respect to the governmental system that we have, the Federal system, we have the problem of developing material and human resources so as to effectively meet the challenge of the totalitarian nations.

We have the added problem, the second problem, of relating this overall development program to the abilities of the three levels of government to play their part in the overall problem.

Would it be your opinion in this connection that there could be any major shift of existing responsibility from one level to another?

If I may pinpoint that still further, what is the trend in your own State as between State and local governments? Is the trend such that the State government is picking up a greater proportion of the burden with respect to various programs, or is the trend the other way? I think I know the answer, but I would like to get it on the record.

Governor Loveless. Of course, the trend is always toward the State government picking up more of the responsibility for the local government operations, financial responsibilities and regulatory responsibility, and I think that this is not entirely desirable.

I think that each function, each level of government, should retain its own level of responsibility and to meet the needs of that particular area because these needs change geographically and the makeup of the population in that particular area differs in its level of service demand and so on.

So I am a strong believer, of course, of this local governmental unit doing its very best to take care of its own individual problems without always an ever larger governmental group taking over their responsibility.

It would be my hope that with the establishment of such a group as you have under consideration it might be possible to collect, from all the services that would be available to you, some practical answers to the questions that face State legislative assemblies, as I mentioned earlier.

Senator Muskie. You referred to a proposed county reorganization plan in your State. The effect of this has been to have decreased local responsibility?

Governor Loveless. Actually not. Let us recognize that my State, like so many of the great farm regions, has had a tremendous transition in population in the last 10 or 15 years.

For instance, in my home State of Iowa, only about 25 percent of our people are now engaged in the activity of farming. The population shifts have been tremendous. We have the same number of counties, the same number of units of employees within each county unit that we had when the population of Iowa was over one-half farm people. In more than one-half of our counties, total population is less than it was a half century ago. The need for county services is no longer there on the same scale because of transportation facilities and so on.

We have counties, I should say, that have a difficulty meeting their county government role, because of the shrinkage of their tax base and their taxpaying people, in numbers.

Senator Muskie. Actually, the purpose is to strengthen county government by taking a more realistic view of their functions in the light of their present resources.

Governor Loveless. That's right.

Senator Muskie. You referred to contradictory and conflicting grant formulas of the Federal-State grant-in-aid programs. Do you feel in some respects these formulas require less than the States can afford to meet in terms of their own responsibilities?

Governor Loveless. Well, Senator——

Senator MUSKIE. Do these vary from 50–50 programs up to 90–10?

Governor LOVELESS. They are an utterly confusing thing, if you will pardon again a point of personal observation. I can only refer to my own State when I try to make these statements. We have just in the last year and a half sort of got off the ground, so to speak, in the area of rehabilitation of the blind. So, in trying to arrive at some sort of budget figure for a rapidly increased staffing, to this moment I am not real sure how much Uncle Sam is paying in this category because of 30–70 and 50–50 and so on; and without working for months, almost, in this particular field, it is a real confusing thing from the standpoint of those of us that happen to be administrators of State government.

Senator MUSKIE. Is there a tendency in your State to get every Federal dollar that it is possible to get?

Governor LOVELESS. No, actually not. We are quite conservative people out in Iowa and the fact of the matter is, it was not until a few weeks ago that our legislative body was induced to establish a very minor permanent and total disability program. We are far from using all available Federal funds in this area as well as some of the others.

Senator MUSKIE. What is the tendency on the part of your legislature, when it has a choice, as between applying State dollars to a purely State program, and a Federal program, which would bring in some Federal dollars? Is there a tendency to go to the Federal program rather than the State program?

Governor LOVELESS. I think the tendency is to do that, to go into the Federal program.

Senator MUSKIE. So that actually grant-in-aid programs can distort your effort in terms of what might be best for the State?

Governor LOVELESS. That's true.

Senator MUSKIE. Is there the same process of selectivity as between Federal programs? Some of these programs are more generous to the States than others. Is there a tendency to select those which are more generous?

Governor LOVELESS. No, basically I don't quite find that to exist in the most of our grants-in-aid. It may be that we have the inclination to preserve the status quo and to think a good bit before moving into anything of a new nature.

Senator MUSKIE. There is some complaint in Maine, for example, because of the Federal interstate program, with its generous 90–10 allocation, which is so tempting that we put more money than we should into highways and less money than we should into education.

Governor LOVELESS. Of course, we have no choice, so to speak, under our existing road-use tax formulas, for example. It has been set up for quite a period of years on a percentage basis between cities and towns and secondary farm-to-market roads and primary roads, for example; so, as a result, we use only what is available in each one of these areas without any particular consideration to Federal moneys available.

Senator MUSKIE. Are you using all of the available Federal interstate money?

Governor LOVELESS. Yes, we are.

Senator MUSKIE. Would it be a fair statement to say on the basis of your experience, summing up what we have been discussing here, that there is some tendency on the part of Federal grant-in-aid programs, partly because they exist, partly because they vary in formulas, to distort the effort of the State government in meeting the needs of particular States?

Governor LOVELESS. Senator, that is a hard question to answer in a brief sentence.

In the vast majority—and I wouldn't say that that was quite the case——

Senator MUSKIE. When I was Governor, I had people come to me and say, "Well now, could you get somewhere a list of all the Federal grant-in-aid programs that are available and then let's see how many of these we can pick up in our legislative program before we start paying attention to our own business."

Governor LOVELESS. I have not had that experience.

Senator MUSKIE. This is one of the reasons, perhaps, that you have not had to ask for more taxes.

Governor LOVELESS. I think that is probably right; yes.

Senator MUSKIE. Thank you, Governor.

Representative DWYER. I want to say that Governor Loveless has given us a very valuable statement this morning and a contribution to this public hearing.

I notice on page 3, Governor, you say that—

during debate in this legislative session, one well-meaning legislator opposed a Federal shared-responsibility program that was under consideration on the basis that it might cost the State $6 million or $8 million. The highest informed estimate that the departmental experts could arrive at for this program was $600,000. An official source of information was needed to confirm the figure."

Would you feel, then, that an advisory commission such as the one we are discussing this morning would be valuable to that legislator in being able to give him the proper information as to just how much the State would have to pay in that particular grant-in-aid program?

Governor LOVELESS. That's right, an official source. An official source of figures for this type of thing would be invaluable, I am sure, to every State assembly because you are kind of prone in legislative debate to sort of pick figures out of the air.

I might cite you an example: We have a statutory limitation on the amount of money we spend for automobiles for State patrol. It has been $2,000. I had to ask the legislative assembly for an increase to $2,750. One of the legislators decided—"Well, gee, we are going to try to buy Buicks. Let's cut it down to $2,250."

In other words, in the heat of legislative debate, sometimes inaccuracies develop in quotations.

Representative DWYER. Governor, do you feel that State legislators would use this service rather than use outside sources of information?

Governor LOVELESS. Oh yes, yes; I find the tendency on our part is to use official documents of many departments such as the Department of Commerce, the Department of Agriculture, and so on, and they are accepted completely as being authoritative.

Representative DWYER. One more point as a matter of curiosity: On the amount of money which was used, a particular grant——

Governor Loveless. It was a tempered victory for the administration. I got about a fourth of the way.

Representative Fountain. Mr. Smith.

Representative Smith. Clarifying a little bit what Senator Muskie asked you a moment ago, in the terms he put it, perhaps some of these grants-in-aid have distorted the needs of the States; but applying it to the situation of most States where the legislatures are not very representative, would you not say that they have also encouraged unrepresentative legislatures to adopt certain programs that they might otherwise not have adopted?

Governor Loveless. Yes, I would think you are probably right, Congressman.

Representative Smith. Even though they work with the brakes on, they still might eventually move toward a desired program a little bit, just like you mentioned a little bit ago. I noticed that you mentioned the employment security legislation. I know that during the last session of the legislature I received an inquiry as to whether or not the Employment Security Commission could do certain things with the funds for building. As I understand it, they have been renting the building for a fairly substantial sum, and have been using some of the fund in that manner. That is just one example. I don't know what ever happened to the bill, but I think this is one example that you are using.

Governor Loveless. That is right, and this might be of interest to the committee: The necessary legalizing acts for the building construction, the acceptance of the funds, were passed by the legislature, but they inadvertently forgot to appropriate the money.

Representative Smith. I have been interested in the field of public welfare for a long time. As the chairman of the welfare board in Polk County, I remember that we had certain relief programs where the county paid all the money through local property tax and then, under the aid to dependent children program, the county pays 25 percent and the State 25 percent and the Federal 50 percent.

And then, of course, social security, which is a Federal program, affected many persons, and it affects the need or lack of need of other programs by some citizens.

So, we had these varous conflicts all wrapped up into this one agency.

I wasn't there during this last session of the legislature, but in the previous session of the legislature, the legislature considered laws that might even disqualify them from the Federal funds and throw more upon the local government. I assume that if you wanted to enlarge upon this, that what you were talking about in public welfare——

Governor Loveless. That is very true. This is one of the fields that could have a tremendous amount of elimination of duplication of activity.

We are struck with this so often that I would say that it is possible to find as many as five agencies and levels of government dealing with this same family unit through one means or another.

Representative Smith. Has it been your observation in the public welfare field that it is sometimes especially difficult to find out what could be done in a particular case by another agency in comparison

to a particular program, or that it is sometimes rather difficult to find out which program would be the best or which combination of programs would be the best?

Governor LOVELESS. That's right. We have established a six-times-a-year intergovernmental conference within the agencies of the State government over the past 2 or 3 years and it has been tremendously fruitful to the individual State departments.

Now, in about 35 or 40 days from now, I have called a conference with all of the county agencies in conjunction with the State agencies in the area of welfare and public safety, to try to get this same information out into the county levels, find out what their problem is.

You have the county poor farm. You have the soldiers' and sailors' relief. You have your welfare agencies, your old-age assistance, aid to dependent children, and so on, working separately on a par, almost; yet, with the same family unit, in many instances; and kind of jealousy guarding their prerogatives in each of these areas, you know. But I have found that once you can get them together that they will, when they understand each other, what each is doing, they are more inclined to work a little bit together and, as a result, it saves some money.

Representative SMITH. That is all I have.

Representative FOUNTAIN. Mr. Langen.

Representative LANGEN. Thank you, Mr. Chairman.

First, may I take this occasion to compliment the Governor for the very concise and complete statement this morning. Coming from the neighboring State of Minnesota, may I say that it is a real pleasure to have you here this morning. I am sure your statement indicates a volume of effort and thought on your part.

Now, may I ask this question: I am wondering whether you as Governor have a vision of the scope or the volume within which this Commission might function.

The reason I ask you this question is that I am wondering whether your State has had the same experience as mine. Having been associated with the State legislature there I have had some experience with it. I believe that during the last term we wound up with some 40 different study commissions, all of them studying matters of definite importance to our State, all of which are, either directly or indirectly, in some manner or another, connected with Federal activities. I can conceive where a great volume of the need for study and information and that sort of thing might be conveyed through a Commission such as this.

At least on first exposure I can envision that there might be a problem as to what field we are going to place the most emphasis on, not being able to cover all of them, and so on.

May I ask whether your State has had an experience comparable to ours in the field of study?

Governor LOVELESS. Yes, probably not of that magnitude. We usually end up a legislative assembly with three or four study groups. We have a legislative research bureau that helps to relieve, I think, some of this because upon the initiative of a group of legislators they can request from the research bureau information in this field or that.

This research bureau, of course, is a small agency of State government and must depend on information they can secure from your State, for example, and so on, and accumulate what everyone is doing with it

and try to analyze it and try to present it to this legislative group, this group of legislators that might request the informaion, and so on.

I think this has helped a great deal to hold down the number of study committees because of the existence of this research bureau.

The tendency is, and true enough, because of lack of knowledge—for instance, our recently concluded session of the assembly established a group to analyze and look into our whole welfare program. I am confident that in the early months, almost years, of its existence a commission such as you have under consideration here today would find its scope to be broad and its work to be quite voluminous.

Of course, maybe, if you will permit me a point of personal observation, I find there is a great magnitude of the work of legislative committees in past years gathering dust on the library shelves without much being done with it.

Maybe a lot of those dusty volumes might have some valuable import to a group that would make some practical use of them.

Representative Langen. Mr. Chairman, if I may inquire further, and I am pleased to note that your research committee seems to have functioned in a little different manner than ours, we have a larger research committee in Minnesota as well. Because of the requirement that that research committee is not permitted to make recommendations—they can find all of the statistics and information and so on, but they may make no recommendations to the State legislature—we have had this experience, that the research committee being in existence, it is ineligible to accept all of the requests for research in this field or that field and that something ought to be done about this problem and that one.

That, in turn, is referred to the legislature and becomes the cause for setting up a further study commission composed of legislative members, in order to be able to make recommendations to the State legislature.

Consequently, the research commission has prompted or promoted a good many. I am not talking against that. I am citing it as an experience.

I think a good deal of value in the Commission has come from that. Do you envision that possibly we might experience the same result here?

I notice that one of the requirements is that the Commission also make a report to the President and to local units of government.

Would that report as well—do you in your estimation feel that that report as well should contain recommendations to the President or to the units of government or should it be merely a report that states that we found this or that to be true?

Governor Loveless. As a matter of personal opinion, I would think that it should be making recommendations. Our research group frequently draws bills to correct this or that and of course they are presented and introduced by legislative members, but they will prepare the actual document for the legislators who are interested in this particular field and want to do something about it.

So I would believe that as a matter of personal opinion the group could work rather effectively in making actual recommendations, not just pointing up a problem and saying, here it is; what do you want to do about it?

Representative LANGEN. May I ask one further question, Mr. Chairman?

I noted your reference to the need for an official source of information and that this would supply a source that we might rely on for information concerning the various problems that may be confronting the intergovernmental relations. Would it be your opinion that a commission such as this would be more of an offiical source of information than a department itself that was dealing with that particular topic?

As an example, we had a problem in welfare and we consulted the department dealing in that subject—do you think that this would be a better source of information?

Governor LOVELESS. Let me put it this way: I think it would be a more acceptable source because my experience in legislative assemblies and administration has been that the general public is pretty much prone, or the individual legislator is pretty much prone to the belief that the agency involved wants to sell themselves and their program and maybe questions some of the figures that are given.

I think that is basically the reason for the establishment in my State of this study group on welfare.

Representative LANGEN. May I interpret that to mean that you, in a way, feel that such information might be of a broader scope and possibly a little more unbiased because you have representatives from a wider area?

Governor LOVELESS. The word "unbiased" I think is the descriptive word that I would want to use in relation to information that might be available from such a commisison or advisory council.

Representative LANGEN. Thank you, Governor.

Representative FOUNTAIN. Thank you.

In connection with what has been said, I know from my experience as a State legislator that in the case of many of these temporary committees, their studies get on somebody's shelf but frequently no effort is ever made to implement the suggestions and recommendations of those committees.

For that reason I am one of those who has been somewhat skeptical about commissions, even though they often serve a very useful purpose and provide an abundance of material for the people engaged in teaching and research and others specializing in the particular field studied by the commission.

But the more we analyzed the testimony which we took throughout the country and realized the complicated procedures associated with the various intergovernmental programs, the more we became convinced that if a commission of this kind were on a permanent basis, continuing to look into these problems and to analyze them and to serve as a kind of clearinghouse between the various levels of government—making suggestions to them as well as to the Federal Government—the more we were satisfied that if this type of commission is handled properly it could serve a very useful purpose and ultimately might well result in greater efficiency and economy and possibly in less centralization of authority at any one level of government.

Governor, I would like to ask your opinion as to the composition of the proposed Commission. Do you think it is representative? Do you think it is fair?

Governor LOVELESS. It seemed to me as I analyzed the bill, when my staff and I discussed this rather thoroughly here——

Representative FOUNTAIN. Just to refresh your memory, it is proposed that the Commission have as members representatives from the House and Senate of the Congress, representatives from the Federal executive branch, public members, Governors, State legislators, mayors, and county officials.

Governor LOVELESS. I think that the membership as proposed would be ideal because these are actually people that should be working in the different areas of governmental operation, and that is the whole philosophy of this, the relationship of the governmental units to each other.

I know of no other way that you could do it than to take actual working members of each branch.

Representative FOUNTAIN. Speaking again of the Kestnbaum Commission, I think it made a very valuable contribution to this field, and its report was most helpful to us as we endeavored to get the viewpoints and the attitudes of public officials at the grassroots.

One of the questions we asked of witnesses all over the country was: "What impact has the report of the Kestnbaum Commission had upon your unit of government?" And in so many instances nobody knew anything about it. They hadn't heard about it. I think most of the answers were, it had had no significant impact.

There again is a reason for our feeling that we should have a continuing operation which is bound to have an impact because of the extent to which all levels of government are represented.

I have just one further question I want to ask you. Before I introduced the bill in the House, I had personally felt that inasmuch as representatives from the various levels of government would constitute this commission, if the Congress saw fit to enact it into law, the States ought to participate financially in the running of the commission.

We do not envision, of course, any large, expensive setup. My own personal thinking is that the commission would have a small professional staff, which would be working continuously, and that the members of the commission would meet periodically at the call of the chairman.

Because of certain practical difficulties which were suggested, I deleted the provision for State financial participation from the bill as introduced.

I would like to ask you this question: What is your opinion as to whether or not it would be feasible for your State to contribute financially to the Advisory Commission's expenses by making an annual payment through the Council of State Governments, or in some other way?

Governor LOVELESS. Well, our State, of course, has always cooperated with the Council of State Governments.

Representative FOUNTAIN. Might I ask you this: Would such a contribution require constitutional amendment or legislative action on the part of your State?

Governor LOVELESS. Legislative action.

Representative FOUNTAIN. Do you think you would have any difficulty so long as the amount of your contribution was reasonable?

Governor LOVELESS. Congressman, let me put it this way. I could answer your question better if I were to know the dollar amount that would be involved. We are rather frugal people out in Iowa. I would guess that——

Senator MUSKIE. If it did not exceed the amount of the contribution to the Council of State Governments, would it be a difficult problem?

Governor LOVELESS. No.

Senator MUSKIE. What is that contribution?

Governor LOVELESS. My face is red; I cannot think at the moment what it is.

Senator MUSKIE. It should not be red. I do not think I could remember ours in Maine, either. I thought you might have it on the tip of your tongue.

Representative FOUNTAIN. On the order of a thousand or $1,500?

Governor LOVELESS. It is a small amount, actually.

Representative FOUNTAIN. What provision is now made for your State's share of the Council of State Governments' operating expenses? Isn't that set up in the appropriation for the Governor?

Governor LOVELESS. No, it is appropriated in the general appropriation.

Representative FOUNTAIN. I expect it would vary from State to State.

Governor LOVELESS. I am sure it would. But under our constitution we spend no money for which there isn't an actual item of appropriation.

Representative FOUNTAIN. Senator, I think you have a few more questions.

Senator MUSKIE. I have two other questions.

Getting back to the thought I expressed a while ago, there is a feeling on the part of some people that States are always reaching out for Federal dollars. There are upward of 40 grant-in-aid programs depending on how they are classified, the oldest, I think, going back to 1879, and several new ones having been created in the last 6 or 7 years.

Have you ever made a determination as to whether or not the State of Iowa is participating in all of these grant-in-aid programs?

Governor LOVELESS. It is not. I cannot number for you accurately as I sit here the number in which we are participating. Some of the educational programs, for example, we are not participating in. Some of the vocational grants we are only using a fraction of those available to the State.

Senator MUSKIE. So you are being selective?

Governor LOVELESS. Yes, sir.

Senator MUSKIE. Do you have—shifting to just another subject for a moment—do you have complaints from your departments, those participating in grant-in-aid programs, that there is excessive redtape or unreasonable requirements on the part of Federal agencies?

Governor LOVELESS. No, actually not. I have had very little experience with any particular difficulty in this area. The people of the individual departments involved seem to be real familiar with the operation. As a result, they don't complain to me.

Senator MUSKIE. In programs involving Federal standards, such as the welfare programs, ADC and old-age assistance and the rest

of it, are your agents, or your agencies, subject to pressure from the Federal agencies to raise standards or to change them in the interest of some overall philosophy on the part of the Federal agency?

Governor Loveless. In general, our standards are more restrictive than those of the Federal Government. We do not experience very much pressure from the standpoint of legislative assemblies and necessary statutory changes to meet those. I would guess that the only area in which the Federal agency has been consulted a great deal is that of employment security.

Senator Muskie. This question, of course, is addressed to the point that is made by many people that once the Federal Government steps into a program it tends to dictate to States. Have you found that to be so?

Governor Loveless. No, I haven't in Iowa because, as I say, in general, those enabling acts that we have, enabling our State to participate in this or that Federal program, are, in general, more restrictive than the Federal standards.

Senator Muskie. If I may shift for a moment to relationships between State and local government, to what extent is the State, or to what extent does the State recognize home rule under local governmental——

Governor Loveless. Well, you have had this gradual growth of regulation of local governments which has grown right along with the growth of State government participation in local governmental costs and the tendency will always be, I am sure, for legislative assemblies to tie strings, as it were, on any State moneys allocated to this local government.

In other words, establish some standards of expenditures, as an aid to education, for example.

I am sure as this mounts, from a State's standpoint you are going to find the trend toward putting some standards on the investment of this money in local education facilities.

Senator Muskie. One of the pressures for State governments to step into local government areas is the restrictive tax base. Has that ever resulted in Iowa in granting to local governments greater taxing powers?

Governor Loveless. In general, no. In a multitude of isolated cases, yes. There have been a few, a limited number of cases where the millage limitation, the ceiling has been lifted, again referring back to the county problem that I mentioned awhile ago. There have been cases where the old ceiling has been in existence for a long span of years, and in order that the people can raise enough funds to maintain their county government, it has been necessary to raise millage limitations.

Senator Muskie. Do local governments have any latitude with respect to adopting new programs of service or must they always have enabling legislation?

Governor Loveless. They must always have enabling legislation. Our cities and towns are creatures of the legislature.

Senator Muskie. Like a tube of toothpaste. The pressure is put on down here and the result comes out at the top.

Governor Loveless. As individuals, you and I can do anything against which there is no law, but cities and towns in Iowa can do only those things permitted by statutes.

Representative FOUNTAIN. Supplementing your answer to Senator Muskie's question, Governor, I might add that during the course of our hearings, local and State officials were generally pleased with the way in which these programs were being administered. But they were very much concerned about some of the restrictions, limitations, and inconsistencies in the programs. For example, they might receive funds for one category of a program and need it more in another category, but they have no authority to transfer funds from that category to the category where it is needed more.

Any other questions of the Governor?

If not, thank you very much, Governor. We appreciate your coming. We know how busy you are. In fact we know how busy all of the Governors are and we know that many of them will have to submit statements. We do want to thank you very much for taking your very valuable time to come before our joint committees to give us the benefit of your thinking in connection with this legislation.

Governor LOVELESS. Thank you very much, gentlemen.

Representative FOUNTAIN. We have as our next witness this morning Congressman Byron L. Johnson. Congressman Johnson is an economist by profession and has had valuable government experience both in the executive branch of the Federal Government and as assistant to the Governor of Colorado, as well as a background in university teaching.

Congressman, we are very happy to have you with us this morning. We would be pleased to have you proceed with your statement at this time, and we want to thank you for indulging us to enable the Governor to finish his testimony. You have been very patient.

STATEMENT OF HON. BYRON L. JOHNSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF COLORADO

Representative JOHNSON. Thank you, Mr. Chairman. I enjoyed hearing the Governor's views on the matter.

I think the problems of the States are remarkably alike in a great many respects.

Mr. Chairman, I appreciate very much the opportunity to testify on the question of intergovernmental relations. This has been my continuing interest over my entire professional career. During the years from 1942 to 1944, I was in the Fiscal Division of the Bureau of the Budget, assigned to the area of intergovernmental relations, and I have followed it closely since, whether in research or in teaching or as a State legislator or in the Governor's office.

Back in 1942, the first full-scale study was made by the Treasury's Committee on Intergovernmental Relations. It recommended the establishment of a continuing commission in the whole field of Federal-State relationships.

As a matter of fact, I got out of the library the original report of the Treasury's Committee on Intergovernmental Relations to refresh my memory on this point.

Let me speak first to the powers and duties of the proposed Commission. As the members of the committee know very well, there are a number of areas where Federal, State, and local interests operate less than harmoniously. First, there is, for example, the question of

the right of each level of government to tax property owned by another unit and level of government. Second, there is the question as to whether interest on the debt obligations of one level of government can properly be taxed by another as part of income taxes.

Third, there is the question as to whether the payments in lieu of taxes now being made by some Federal agency is adequate and properly related to the impact of such Federal property upon local taxing jurisdictions.

I might say, parenthetically, that the county next to mine has three basic industries: The Rocky Mountain Atomic Energy plant at Rocky Flats; the Federal Center, which is a major headquarters of Federal agency regional offices; and now, more recently, the Titan missile plant of the Martin Co. These are the three biggest basic industrial employers in the county, and all are tax exempt. Needless to say, real estate property taxes on the taxable residential property is very high. This county has a legitimate grievance with respect to the operation of federally owned property in its impact on their own tax base. This issue is the subject of separate legislation, S. 910, by Senator Humphrey in the Senate, and H.R. 1310, by Representative Meader in the House. These bills seek to provide a commission to deal with the problem of taxability of federally owned real property and with payments in lieu of taxes in such cases.

Fourth, there is the question of the reasonableness of the shared receipts and revenues on certain public lands. Are these properly related to the impact of the operations of one government upon another? Do they properly discharge the obligation of a government as a proprietor which receives services from other governments?

We, out in the public-land States, have a continuing interest not only in oil and gas but in timber that is cut and with the resulting public revenues which are shared with local units of government.

Are these properly related to the impact of the operations of one government upon another?

The Atomic Energy Commission, for instance, held under law that it should nationalize all uranium. Now we have some small mountain counties with very little tax base that experienced a sudden influx of people, causing a tremendous rise in the obligations upon the local unit of government. But, by reason of the nationalization of the property, these had almost no tax base. This presents a very serious problem, percentagewise, for the small community. The number of dollars involved is trivial from the national budget standpoint, but from the local budget standpoint the impact was very heavy.

Do the shared revenues properly discharge the obligation of the government receiving services from other governments?

Fifth, there are questions as to whether or not certain taxes act as trade barriers, contrary to the constitutional intent.

Sixth, there is a very sensitive question of the rights of several States to tax the same property or income, because the Federal courts have taken a very permissive attitude toward multiple and overlapping State taxation. Congress and the Federal Government could do much under the Constitution to accomplish substantial uniformity in State laws with great benefit to American businessmen in simplifying their tax compliance. Such improvements need not materially reduce State revenues but should certainly simplify tax administration and enforcement.

One of the hidden areas in public finance is our lack of knowledge of the cost of compliance upon taxpayers in filling out the thousands of forms that they are required to fill out for the thousands of taxing jurisdictions with which the larger corporations must deal. Many taxpayers are plagued by the inconsistencies and complexities of the various tax jurisdictions having power to tax them.

Now, these questions will never be resolved if we wait for neighboring States to work out suitable answers. They might be resolved by having a Federal commission conducting continuing research, issuing publications, and holding conferences as background for appropriate changes in law at each level.

Finally, there is a question of grants-in-aid, which is specifically provided for by H.R. 6904. It may be that the duties provided for the Commission under paragraphs 1 and 6 of section 2 in the bill were intended to embrace all the other issues I mentioned, but I think it might be helpful to spell them out at greater length.

Turning from the question of the powers of the Commission to the question of its composition or operation, I would like to suggest a two-level commission. There needs to be continuing direction. This might well take the form of a three-man commission, to provide administrative supervision, research, direction, and coordination over an extended period of years. I would suggest a three-man commission, named by the President, as part of the Executive Office. It might include one person whose experience is essentially Federal; one whose experience is primarily State—he might well be nominated by the Conference of State Governors—and a third person whose experience is primarily at the local level.

This should be a continuing administrative commission with the minimum necessary staff.

I suggest that it draw on Federal, State, and local agency and committee staffs for developing a series of research and position papers. Then I would suggest that the advisory commission be constructed as more truly an advisory committee which would receive well in advance of its meetings background and suggested position papers including all tentative position papers.

These papers should be carefully prepared and reviewed professionally at the Federal, State, and local levels, so that when the committee meets it would be given well-defined alternatives to review and adequate background material to evaluate these papers.

It is important to bring these persistent issues with which a commission must deal into such focus that so large a body can decide specific problems, because ultimately it is not enough, as the gentleman from Maine has said, simply to make studies. Ultimately, you must arrive at conclusions and recommendations that may be the basis for amendments to law and to administrative practice.

If we do not do this, the same confusion which has plagued these intergovernmental areas throughout our national existence will continue to plague them.

In reviewing the recommendations made on January 1, 1943, by the Treasury's Special Committee on Intergovernment Fiscal Relations, I find they had eight suggestions. These substantially parallel what I have suggested here, and are: First, to permit close collaboration between Federal and State tax administrators.

Secondly, to permit interstate cooperation, reciprocity, and uniformity among the States.

Third, to act as a clearinghouse as to payments in lieu of taxes on federally owned property.

Fourth, possibly to act as a board of appeals on payments in lieu of taxes and as to disputes about trade barriers.

Fifth, to conduct research.

Sixth, to create public interest in intergovernmental relations.

At this point I want to commend this committee for the fine job it has been doing over the years to try to improve public understanding and interest.

Seventh, to disseminate and exchange economic and fiscal information of interest to State and Federal agencies.

Eighth, to promote improvements in government reporting, accounting and statistics.

These suggestions might well also be considered in writing the charter of such a commission.

Mr. Chairman, I will be happy to submit at an early date some proposed language for amendment of 6904 to embody the recommendations I am here making. I think there is no step that this Congress might take that would be more welcomed by officials of the 50 States, the 3,000 counties, and of the tens of thousands of local units of government, than passage of such a measure as this.

If we pass this kind of law, we would provide an indication of continuing congressional concern that the areas of intergovernmental conflict and tension may be resolved by an orderly method designed so that the proper interest of the Federal, State, and local agencies, the legislative and executive branches of Government, would be appropriately involved in the development of those solutions.

Let me add at this point how I think that this program could operate most effectively.

The continuing directors, the three-man commission, would call the advisory council together and set up a system of priorities, as Mr. Langen has suggested, for immediate attention. It would create the suitable interagency and intergovernmental committees to provide a continuing research, review, and development of position papers. These would be exchanged between levels of government and between agencies of government so that the benefit of all the various interests could be reflected in the final work.

For example, the Treasury, the Department of Health, Education, and Welfare, and the U.S. Budget Bureau all express Federal interest in certain of the programs with which we deal. At the same time, certain State agencies have an interest as do the county or city governments. These background papers would be built up out of interlevel and interagency consultation through a series of working conferences, using their own technicians to do the background work to bring into focus the sundry points of view. Out of this would grow specific recommendations that, in the judgment of the working group, could help to improve relationships and the program operations at all levels of government.

Then these could be brought back to the whole advisory commission for specific approval, modification, or adjustment. The results should be disseminated more broadly among the agencies which have

to authorize the resulting action. The permanent director or commission would undertake the necessary followthrough to see that the recommendations made were in fact brought to the attention of the appropriate groups, and the background material made available. Very frequently our failure to adopt improvements in State legislatures is simply lack of knowledge of what is available, lack of knowledge of what research work has been done.

I see this operation as having great potential for accomplishing the purposes to which I think we have all been speaking here this morning.

Let me close by commending the chairman and the committee for moving forward in this area.

A few years back I understand the administration gave its approval to the kind of proposal embodied in S. 910, now introduced by Senator Humphrey and others, which relates to payments in lieu of taxes.

I think it is appropriate that there should be not two bills, but a single bill, to cut across the entire field of intergovernmental fiscal relations and I would recommend that this bill before the committee be broadened to cover payments in lieu of taxes and the other problems I have mentioned here as well.

I shall be happy to work with the committee and the staff in spelling out these proposals in greater detail and in helping to draft specific language if it is the wish of the committee.

Again, may I express my thanks to this committee.

Representative FOUNTAIN. Thank you very much, Congressman, for giving us the benefit of your thinking. You have certainly given this matter considerable study.

I regret that I had a call which necessitated my absence during the early part of your statement. As I understand it, you are proposing a three-man commission and also an advisory group?

Representative JOHNSON. That's right.

Representative FOUNTAIN. We in the Congress realize the practical problem of getting something that will serve the purpose intended and, at the same time, making it acceptable to enough people to be able to enact it into law.

Do you think it would be possible to obtain an acceptable consensus from a three-man commission?

For instance, would not a body of that small size tend to focus attention on the members per se rather than upon the public issues, and raise questions as to whether or not the persons understand and are sympathetic with the problems confronting the several levels of Government?

Representative JOHNSON. That is a very good question, Mr. Chairman. Let me answer it in this manner: In my experience in the executive agencies, there needs to be continuity, fulltime continuity of research and direction, planning, programing and followthrough, and my first reaction was to propose that there be an executive secretary to your advisory commission to give that kind of direction.

But because of the jealousies and fears of each level of government with respect to each of the others, I felt that possibly we could remove those by, in effect, taking a three-man group, one of whom would be primarily Federal, and who would be knowledgeable at the Federal level, one of whom might be chosen by the President from those

nominated by the Conference of State Governors, and one chosen by the President from nominees proposed, let us say, by the National Association of County Officials, and by the American Municipal Association, in an effort to try to provide some person who was known by and respected by persons at the local level.

I am trying to find three men, each of whom would command respect within the area of his own experience so that the continuity of the full-time people would reflect the three-level governmental structure under which we operate. I thought this proposal might be more palatable than having a single executive secretary, who might be accused of being biased, as being too much of a "State man," or too much of a "Federal man," or too much of a "local man."

Otherwise I would prefer as an orderly routine simply having an executive secretary to the proposed Advisory Commission to give full-time continuity and direction.

Representative FOUNTAIN. Just what authority under your proposal would the advisory body have over the three-man commission?

Representative JOHNSON. I suggest that the Advisory Commission set up priorities for the agenda of the working committees, and create interagency and interlevel working task forces, giving them specific assignments.

It would create and appoint the working group on each particular program because each problem has to be given to some group who are competent, interested, able, and free to act.

Then, it would receive back from these task forces or working committees their reports, and it would recommend the basic policy.

The work of the top men would essentially be research direction, administrative supervision, and coordination. I do not conceive these three men as being a policy group but rather an executive and administrative group to carry out the wishes of the larger Commission. There is a very high-level commission set forth in this bill. These men can only give a few days a quarter, perhaps, to these questions.

Now, they bring a rich background to it, but the day-to-day work has to be done by somebody who can stay with it to see that the work gets accomplished.

Representative FOUNTAIN. We see what you have in mind, and you would suggest that the three-man Commission be permanent?

Representative JOHNSON. That's right, give them 6-year terms if you wish, but give them reasonable independence and freedom to keep working on these problems.

Representative FOUNTAIN. Of course, it is pretty hard to know just what the Commission will do once it is organized. But I for one had in mind that the Commission would in all probability, just as does a committee in Congress, constitute subcommittees to take up certain problems and make their recommendations to the full Commission with the help of a continuing staff, which ought to be composed of high-caliber men who have a broad knowledge of the operations of the Federal Government in relation to local and State governments.

Representative JOHNSON. I was really trying to provide an administrative and staff arm to this Commission because this assignment involves continuing contacts; continuing work needs to be done. I did not view this top Commission as primarily a policy, but rather as an administrative group. Whether it be three-man or one-man, I think

the bill should contain some recognition of the need for continuity at the secretariat level.

I don't think of this as a kind of sub-Cabinet officer, but as a guide to help see that the work of the Commission flows and has focus and gets accomplished.

Representative FOUNTAIN. In effect, your proposal is identical, except that you would provide for the appointment of a three-man Commission which would also be working on a continuous basis along with the staff.

Representative JOHNSON. That is right. I think this would strengthen your Advisory Commission, because I recognize that if the Commission is to be competent, if it is to have the kind of people you envision, they can only give a small part of their time to it.

It has been my experience with commissions that if these are not adequately staffed, and if background staff work isn't done, the results are frequently less than is expected from the caliber of the men named to them.

I would note that my proposal would invite you to spell out in greater detail the specific charge to the Commission, to spell out its powers and areas of interest in somewhat greater detail, so that the whole field of intergovernmental fiscal relations would be clearly embraced. It may be embraced now, but I am afraid it is rather general. I would suggest some additional language.

Representative FOUNTAIN. That was done deliberately, because we felt the Commission would have to have considerable flexibility. But your suggestion certainly has merit.

Senator Muskie.

Senator MUSKIE. Congressman, I compliment you on a thoughtful and well-reasoned statement.

Addressing myself to the point which you and Congressman Fountain have been discussing, I would be inclined to make two observations:

First of all, I think there could not be reasonable disagreement on your description of the kind of staff work that ought to be provided for in this Commission. But I am concerned on two points: First of all, if you give the prestige, the top position to this three-man Commission——

Representative JOHNSON. Call them secretariat. Your point is well taken.

Senator MUSKIE. The Advisory Commission is going to be just a rubber stamp for this permanent agency. I think that is a risk we ought to watch.

Secondly, by doing that, also, you give direction or the power of direction to other than the Advisory Commission. Thus, it may go in the areas that a more representative group might be inclined to avoid or be inclined to deemphasize.

Representative JOHNSON. I think the mechanics should be spelled out to avoid against the risk that you suggest. I would be willing to modify my proposals in those respects.

Senator MUSKIE. Would it be appropriate to suggest that you prepare appropriate language?

Representative JOHNSON. I'd be happy to try.

Representative FOUNTAIN. In connection with what Senator Muskie said, we are all Americans but different sections of the country have different problems.

For example, our cities under 50,000, cities between 50,000 and 100,000 all have differing problems from those of the larger metropolitan areas.

Then you have the smaller towns, smaller and larger urban areas.

I am sure they would be most anxious that their respective points of view have weight on this Commission. And that, I think, would be one of the difficulties in setting up a three-man Commission with an advisory body which might turn out, as the Senator said, to be more or less a rubber stamp for what the three members think.

Senator MUSKIE. I think it would be worthwhile to point out how the joint task force operates. This is a rather large group, too. I don't know how many members there are, but I think there are 15 or 20, Governors and heads of Federal agencies, and they work on the basis of just the kind of staff work you emphasize and which I think is very important.

The staff work is so thorough the larger group is able to concentrate its attention on the policy decisions and on the selection of alternatives which are pinpointed by the staff.

I think Congressman Fountain might agree with that.

Representative JOHNSON. I take it that both of you would prefer the concept of an executive secretary to any other type of title for the continuing administration of this type of program.

Representative FOUNTAIN. Something similar to that.

Representative JOHNSON. I follow you.

Representative FOUNTAIN. Mrs. Dwyer, any questions?

Representative DWYER. No questions.

Representative FOUNTAIN. Mr. Smith, Mr. Langen?

Representative LANGEN. Mr. Chairman, this will take only a minute. This interests me.

I extend my compliments for the suggestion of lending direction to the activities of the committee.

It puzzles me somewhat, though, the matter of a three-man committee to somewhat lend direction to the full committee. It seems to me that experience tells us, in a way, that in most instances we operate the other way.

I can more envision that the various topics should come before the whole 24-man Commission. They in turn would then delegate this to subcommittees much the same as the legislative processes we experience every day. In that manner, specific assignments can be given to smaller groups who in turn report back and then finally receive a final consideration or recommendation, if that is required, from the full committee.

May I ask what prompted a change in that procedure?

Representative JOHNSON. Frankly, I was actually quoting, in effect, from the recommendations made many years ago by the Groves-Gulick-Newcomer Committee appointed by Secretary Morgenthau, which recommended a three-man Commission in order to represent Federal, State, and local levels.

Their full report spells out the suggestion of lending committees, but their thought was to name three full-time persons, one of whom

would be known to and respected by the Federal Government, one of whom would be known to and respected by State governments, and one of whom would be known to and respected by local governments.

I gather that the wish of this committee is that the larger, more inclusive advisory committee be given the primary power of direction and policy and that your concern for administrative detail and supervision be centered in a single person, such as an executive secretary of the Commission, for example.

I would not care whether it should be one or three. I would be perfectly willing to go ahead on the basis of one. To have only one is certainly more acceptable as an administrative operation provided that there is no objection thereafter that the man you picked is a "States right" man or a "Federalist" or, a "big city" man or something of that sort.

Great care needs to be taken to be sure that a man of broad-gage experience, but no special or evidently strong bias, is named to that post, because you don't want to weaken the work of staff direction.

Now such personnel are available, and it can be done, so I would accept the wishes of the committee on this point.

I was borrowing from an old recommendation which seemed to me, in the light of my own experience in both State and Federal levels, to offer a way of proceeding. But I would by no means argue that it is the only way of proceeding.

Representative LANGEN. Mr. Chairman, my only point in bringing the matter up is, it just occurs to me that the scope and field of operation of a Commission such as this is so broad and so big, so many diversities, that it would seem to me that if by lending direction to it you might need the knowledge, that such association that might come from a broader representation around the Nation—that is merely my opinion—I shall question no further.

Representative FOUNTAIN. In fact, when we were in the process of drafting this legislation, we consulted a number of people. Dr. Goldberg here is our expert on Federal-State relations. We were concerned that we came out with as many as 24 members because it sounds large. But when we took into account, as Mr. Langen said, the many and diverse relations between the various levels of government and tried to determine a proper balance, we came out with this number.

Personally, I had in mind adding another county official. In fact, that was one of the things the county officials complained about down in North Carolina yesterday. They said we don't have enough county people on it.

When we tried to determine a proper balance of the Commission's membership based on current working relationships of the State and local governments with the Federal Government, it seemed reasonable that the county views and interests would be fairly represented with one county official on the Commission. That is something which I think the committee can work out and maybe we will receive some helpful testimony on this point.

Representative JOHNSON. It may be that you should suggest that the advisory committee have the power to co-opt, which is a polite word for draft, such additional persons as may from time to time, at least for specific studies, be required to give the breadth that you want.

For example, if you go into this very ticklish question of the taxation of State or local bonds, you are going to want some very competent bond counsel and some very competent constitutional lawyers because the issues are not merely ones of what one would like to have, but what is legally possible, and what would be the effect of any change made in this area.

It is easy enough for amateurs to make proposals in these technical and complex areas, but you don't want amateur proposals prepared for final action until they have been competently reviewed. If the language isn't adequate in the bill to give the Council the power to invite others in, I certainly think it should be added, on a permissive and ad hoc basis to be used as necessary.

Representative FOUNTAIN. Then, too, we have to take into account the fact that inasmuch as so many commissions have been created, and so many questions are raised about the advisability of commissions, that we cannot make it so expensive that it would not appeal from a practical standpoint to the Members of the Congress.

Representative JOHNSON. Much of the work of this Commission can be done by simply farming jobs out to people who are already on payrolls of the various levels of government. Therefore, I feel most of the professional work is simply a matter of giving suitable assignments and have interagency and interdepartmental committees. This secretariat I suggested would be largely one for working with the Advisory Commission, bringing the material together, duplicating and printing it, and so on; it is a matter of committee work.

I dont think much money is needed to accomplish this. The machinery of cooperation is what we are looking for. I think that is what you are implying.

Representative FOUNTAIN. There is a provision in the bill which requires the various agencies of government to supply necessary information to the Commission.

Representative JOHNSON. I am sure most of them would be happy to.

Representative FOUNTAIN. Are there any further questions?

Dr. Goldberg has a question.

Dr. GOLDBERG. Congressman, while I believe the Commission would have the authority under section 2 to study and recommend steps for minimizing tax duplication and overlapping between the levels of government, there might be merit in making this an explicit objective, which I think you have in mind.

Would this be accomplished in your opinion, by adding the words "revenue sources" after "responsibilities" in line 3 of page 3?

Paragraph 6 of section 2 would then read:

> Recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenue sources among the several levels of government.

Would that accomplish the objective you have in mind?

Representative JOHNSON. Only in part. This would specify the continuing question of whether we should segregate revenue sources to eliminate the overlapping between levels. I was more concerned with the overlapping of taxation of the same income between adjacent States. The issue has recently been raised anew by a case in the New England area of a commuter who lives in one State and earns income in another, and he is taxed by both. We have had more complex cases

than that where the courts have upheld both States' right of taxation.

If the trustee of an estate resides, let's say, in Rhode Island, while the estate is situated in Connecticut, and the beneficiary of the will resides in New York, presumably all three States may have the right to tax that income. This is a different kind of overlapping and duplication, or one State uses a three part formula for corporate income, property, sales, and payrolls. Yet another State uses a two part formula.

My State has just undertaken a very extensive study comparing the two part formula with the three part formula. Other States should know what we have discovered. Ultimately out of such research we may find that an interstate corporation could actually use a single formula to allocate income among the States. As it stands now, the sum of the parts is sometimes more than the whole, and sometimes it is less than the whole, depending upon the accidental effects of the various formulas used.

I am looking toward a kind of uniformity between the States to reduce the burden of compliance on the taxpayer. It wouldn't necessarily reduce his total tax payment, but the cost of computing it is the hidden cost that rarely gets attention. This is, I think you would find, of tremendous business interest. These recent tax articles in Fortune magazine indicate great business concern to see such simplification accomplished. This Commission, it seems to me, offers an ideal opportunity for bringing attention to such questions. No one State has strong interest, yet every State has an interest, every businessman has an interest, and every taxpayer has an interest in simplification and uniformity. At present there is no way to bring the problem into focus and the power to correct it may reside only in Congress, and yet, because no Federal revenues may be affected, we would do nothing about it.

Through this kind of machinery we might work out a sensible, suitable operation that would resolve these issues. That is why I think it will take more detailed language to accomplish what I am suggesting here.

Dr. GOLDBERG. We certainly appreciate your offer to assist the committee in developing the appropriate language. Apparently what is involved here is our making explicit the intent that the Commission should give attention to the problem of coordinating and simplifying Federal, State, and local tax laws and practices so as to eliminate or minimize elements of duplication or undesirable tax competition.

Representative JOHNSON. I think there are some very fundamental things to be accomplished for good from the taxpayers' standpoint, as well as the Government's standpoint.

Representative FOUNTAIN. We have a quorum call in the House.

The committee stands recessed until tomorrow morning at 10 o'clock.

(Whereupon, at 12:15 p.m., the committee recessed until 10 a.m., Wednesday, June 17, 1959.)

TO ESTABLISH AN ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS (H.R. 6904, H.R. 6905, S. 2026)

WEDNESDAY, JUNE 17, 1959

CONGRESS OF THE UNITED STATES,
INTERGOVERNMENTAL RELATIONS SUBCOMMITTEE
OF THE HOUSE COMMITTEE ON GOVERNMENT OPERATIONS,
AND SENATE COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The House subcommittee and Senate committee met, pursuant to recess, at 10:30 a.m., in Old Supreme Court Chamber, U.S. Capitol, Senator Edmund S. Muskie presiding.

Present: Senators Muskie and Gruening; Representatives Fountain, Dwyer, Smith, and Langen.

Also present: Dr. Delphis C. Goldberg, professional staff member, and James R. Naughton, counsel, Intergovernmental Relations Subcommittee; Walter L. Reynolds, staff director; and Dr. Eli E. Nobleman, professional staff member, Senate Committee on Government Operations.

Senator MUSKIE. The committee will come to order.

I take this opportunity to announce that the joint hearing originally scheduled for tomorrow will be held, instead, on Monday, June 22, at which time testimony will be taken from Mr. Meyer Kestnbaum of the Kestnbaum Commission and from Gov. G. Mennen Williams, of Michigan. However, hearings will be held as scheduled on this Friday at 10 o'clock.

It is a privilege to present as our first witness Congressman Michel, who, I understand, served on the subcommittee last year.

Representative FOUNTAIN. Before Mr. Michel proceeds, Mr. Chairman, I would like to say that he was one of the very able members of the subcommittee who participated in our earlier hearings and made a very substantial contribution. We hated very badly to lose him from our subcommittee, but somehow he got it in his head that he wanted to get his hands on the purse strings; so he went to the Appropriations Committee.

I do want to say that he has been a very helpful member of our subcommittee and I feel sure that he will make a contribution to these hearings.

STATEMENT OF HON. ROBERT H. MICHEL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

Representative MICHEL. Mr. Chairman and members of the committee, I certainly appreciate the gracious remarks of the gentleman

from North Carolina, Mr. Fountain, who has served so ably, of course, as chairman of the subcommittee when we went across the country and, of course, during the hearings that were held right here in Washington.

I regret exceedingly that, serving on the Appropriations Committee as I do, I am not able to have as a second committee this subcommittee, because it is performing a very worthy function for the American people.

I have looked over the two companion bills that have been introduced setting up an Advisory Commission. I must say, Mr. Chairman, that I will certainly be supporting these bills to the fullest extent.

Of course, my support, I think, stems in the most part from the fact that I served on the subcommittee for, inherently, I have been somewhat opposed to the setting up of additional bureaus, commissions, and what not here in the city of Washington and I suspect that, if I did not serve on the subcommittee I might be inclined to be opposed to this one but for the fact that I know so much about what it will do and the function that it will perform as I envisage it. I am certainly going to support it.

It seems to me that during the course of our hearings the lack of knowledge throughout the country of what the problem is here is simply appalling.

I doubt very much whether 90 percent of the Members of the Congress know the number of Federal grants-in-aid to the States and local communities, let alone members of the State legislature who are misinformed or ill informed on this particular subject.

There seems to be a duplication of effort in many areas, so little coordination, and the country is growing at such a rate that we have got to take a new look and see just where the Federal Government and the States and local communities fit into the overall pattern.

It seems to me there are going to be some serious objections raised, at least on the House side. I cannot speak for the other body, but certainly in the very fact of setting up a new commission there will be objections raised and I can hear some of the arguments now saying, "What do you intend to do by this Advisory Commission? The purpose can only be to find new ways in which we can spend Federal money, new ways in which we can broaden our scope of intervention in State and local affairs."

And that brings me around to the matter of the appointments of those who will serve on that Commission. I think it is a very important decision as to just who will be serving on the Commission. I know the President will make a good many of those appointments, either from among the Governors, the members of the State legislature, or those in local government.

I think it makes a difference what position the President holds in addition to what position is taken by those individual members chosen.

Whether they believe in a strong Federal Government or whether they tend toward the view of a loose confederation of the States. And the color and complexion of that Commission can very well change, just as the Supreme Court, for instance, changed considerably when Chief Justice Taney presided, after the Court was dominated

for years by Chief Justice Marshall. In other words, the Court's decision varied considerably, while under the head of a different Supreme Court Justice.

There will be varying degrees of interpretation of the Constitution. It seems to me that this will always be in the background in the Commission's deliberations.

But I do not think that should concern them so much as facing up to the situation that confronts us today in determining what course of action we should take for the future.

To my mind there are two principal problems with which the Commission could very well be faced at the outset. The first and overriding problem as I see it, is that of a competition for revenues at the Federal, State and local level.

In this connection, Mr. Chairman, if I might, I would like to just quote from an editorial which I plucked out of my "Peoria Journal Star" just yesterday morning. I would like to read just several passages and then include the entire editorial for the record, if I might.

This has to do with Federal education but I want to in particular cite the fact that would deal with this problem of taxing at all three levels.

> Federal subsidies for public schools were never as great a threat as they are today. People of this area have voted to increase school tax rates and higher taxes this year are largely the result.

Real estate taxes in my home community went up any number of dollars as we just got our tax bills this last month as a result of a tax referendum and a tax multiplier imposed by the State.

> But, in addition to being hit by higher local taxes, they are about to be dealt another blow for school funds—a half cent increase in the State sales tax.

I am confident the legislature will pass that and that will be earmarked specifically for schools.

Then it goes on to say:

> Certainly there is no reason for hitting us a third time for the same thing—that is, higher Federal taxes to pay for public school handouts from Washington.

And so later on in the editorial:

> If you feel the pinch of local taxes, and if you are already wincing at the thought of a higher State sales tax, now is the time to let the people representing you in Washington know that you do not want "Federal aid to education" taxes added to your burden.

Well, aside from the philosophy of whether one is for or against the proposition of Federal aid to education, it just points up so well this biggest problem as I see it: The competition for revenues between the three levels of government.

And then it seems to me the second big problem with which the Commission will be faced will be that of the explosive population growth. You know, we talk about a shrinking world but it seems to be a shrinking United States, also.

There are more and more coming off the farm, gravitating toward the large metropolitan centers. I am sure the chairman and the members of the subcommittee will agree that when we made the tour through the country one of the biggest problems with which we were confronted was that of the metropolitan areas, the urbanization that is going on.

And it seems to me that the States themselves are at fault to some degree, either by their outmoded constitutions, or by the fact that they have failed to live up to their responsibility and so we find, as a result, today, some mayors of the larger cities more influential and more dominant than the Governors of their States, and it causes them, as we have seen through our testimony and our evidence, to make the trek directly to Washington, bypassing their State capital. I think this is something that we have to face up to, and certainly the Commission, it seems to me, would address itself to these problems which will be faced in the future.

I think yesterday during the course of the testimony, the question was asked by the junior Senator from Maine, whether or not this would be a duplication of the Kestnbaum Commission's findings.

I say no, by no means. We are living in such flexible times that the establishment of a permanent Commission is definitely necessary.

Take, for instance, the President's proposal to increase the gasoline tax. Why? Because, while we thought the highway construction program at one time was going to be on a pay-as-you-go basis and that there would be sufficient money in the trust fund, we find now that because of the recession, and through action taken by the Congress to beef up the program, we are deficient in revenues and so it causes a change of plans.

How well it might have been if the President would have called in the Commission members: "Would you be so good as to give me your counsel and advice?"

This is certainly an area where the local and State communities are fighting for tax revenue from the gasoline tax and here we are, the Federal Government, asking for an increase.

To my mind there is all the justification in the world for a permanent Commission of this type, so long as it stays within reasonable bounds and does not grow and grow.

I see no reason why it should have to hire any number more than the bare necessity of individuals for administrative purposes, and I certainly want to assure the committee that serving on the Appropriations Committee, I will go to bat with that committee for the necessary funds to give the Commission the administration help that it needs.

I do not know that I would belabor the point any more, Mr. Chairman, but to say that I think it is a very worthwhile objective that this legislation is designed for, and I want to support it with everything that is within me.

Senator MUSKIE. Thank you, Congressman, for your statement, and I might at this point say, without objection, the editorial to which you have referred will be included in the record.

(The editorial in Peoria Journal Star follows:)

[From the Peoria Journal Star, June 14, 1959]

THE "FEDERAL AID" THREAT

Federal subsidies for public schools were never as great a threat as they are today.

People of this area have voted to increase school tax rates and higher taxes this year are largely the result.

But in addition to being hit by higher local taxes, they are about to be dealt another blow for school funds, a half-cent increase in the State sales tax.

Certainly there is no reason for hitting us a third time for the same thing; that is, higher Federal taxes to pay for public school handouts from Washington.

But that is what is brewing in Congress. The hopper is full of "Federal aid to education" bills, the result of skillful and high-powered lobbying by the National Education Association.

"Federal aid to education" would take money from Illinois, where we are digging deep into our pockets to support our schools, and use it to pay for schools in States supposedly less able to support education than we are.

"Federal aid to education" is the costliest way to finance schools because Federal bureaucracy always takes a lot more in taxes than it returns in handouts.

If you feel the pinch of local taxes, and if you are already wincing at the thought of a higher States sales tax, now is the time to let the people representing you in Washington know that you don't want "Federal aid to education" taxes added to your burden.

There are other compelling reasons, of course, why Federal subsidies are a threat to public education.

One of these is the fact that Federal handouts would have strings tied to them. Federal controls would appear few and innocuous at first, but they would be there. Washington always controls what it subsidizes. And the controls would increase. The outcome of a program of Federal aid to schools would be a Federal system of schools. Local school boards would only administer regulations sent from Washington.

There is no need for Federal handouts for public schools. A special committee, after studying the problem for President Eisenhower, reported 5 years ago "that Federal aid is not necessary either for current operating expenses for public schools or for capital expenditures for new school facilities."

Federal handouts are not free. The money comes from our pockets. And we are paying plenty for the support of our schools without being gouged by the Federal tax collector for the same purpose.

Senator MUSKIE. I might point out our next witness has a noon train to catch so I hope we may limit the questions at this point and perhaps later if we have other questions of the Congressman, we might get him back.

Representative MICHEL. Might I say, Mr. Chairman, I would be most glad to defer to whomever it is who has to catch the train because I know what the problem is he faces just as I have faced a number of times.

Senator MUSKIE. Thank you very much.

I am sure I have some questions and I know other members of the committee do.

Our next witness, then, and we are very happy to have him here, is the mayor of Milwaukee, Mayor Frank P. Zeidler—and I hope we can enable him to catch that noon train.

Mayor Zeidler—Congressman Reuss will present the mayor.

Representative FOUNTAIN. Before Congressman Reuss presents the mayor, I'd like to say that Congressman Reuss was a very active member of our subcommittee. We hated to lose him. He made substantial contributions to our work but we are delighted that he can still participate in our work by being present here this morning with the distinguished mayor whom he will introduce.

STATEMENT OF HON. HENRY S. REUSS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WISCONSIN

Representative REUSS. Mr. Chairman, the chairman has been very kind to me one time in a matter of Slavic philology when he visited Milwaukee last fall, and I must tell him a little about German diphthongs. What seems like "Zeedler" is in fact "Zidler," just as what

appears to be "Roos", in Milwaukee is in fact "Royce," and it is Mayor Zeidler I am about to introduce.

I am particularly delighted to be back here. I was a member of the very energetic and fruitful Fountain subcommittee some months ago—whether it was in an effort to weed out deadwood or just to rearrange things I do not know, but I was combed out of the subcommittee; but I retained my interest in it and my admiration for the fine job it has done. It goes without saying I heartily approve of the subcommittee's recommendation for a permanent Advisory Commission on Intergovernmental Relations.

I am extremely proud that the U.S. Conference of Mayors has selected Mayor Zeidler of Milwaukee to make this presentation. I am looking forward to hearing the mayor's statement and I am confident it will be up to his usual standard of excellence.

Senator MUSKIE. I must apologize to the mayor for mispronouncing his name.

I was well indoctrinated while I was in Milwaukee last fall as to the benefits of his administration.

STATEMENT OF HON. FRANK P. ZEIDLER, MAYOR OF THE CITY OF MILWAUKEE, WIS.

Mayor ZEIDLER. I am used to having all kinds of pronunciations of my name. I am always glad, no matter how they do pronounce my name, if they put an "X" behind it.

I might say I am very pleased again to be before at least some members of this committee, who represent the House side of this committee. I spoke before the House committee about 2 years ago. I am also honored to be introduced by Representative Reuss who is a very popular man in Milwaukee, has a great following, and is recognized in our community as one of the outstanding Congressmen of all time that Milwaukee has sent to Congress. He has been very progressive and most interested in municipal affairs, as well as the affairs of the State of Wisconsin and of the Nation.

If the chairman permits and the members of the committee agree, I will read my statement, but make a few remarks in between to amplify it.

My name is Frank P. Zeidler. I am the present mayor of the city of Milwaukee, Wis., a position which I have held since 1948. I am representing the U.S. Conference of Mayors, a national organization of approximately 300 major cities, with respect to H.R. 6904, the Fountain bill, and S. 2026, the Muskie bill, which are bills to establish an Advisory Commission on Intergovernmental Relations.

These proposals apparently are the culmination of discussions and hearings which have resulted from the report of the Commission on Intergovernmental Relations which was transmitted to President Eisenhower on June 20, 1955, by Mr. Meyer Kestnbaum, the Chairman of the Commission. This Commission, as you recall, was established pursuant to Public Law 109, which was approved July 10, 1953, and which was set up largely because there was so much conflict between the various levels of government—National, State, and local—particularly with respect to finances, Government grants-in-aids, and tax sources.

I am well aware that the Intergovernmental Relations Subcommittee of the House Committee on Government Operations has had many meetings and hearings on the work of the Commission on Intergovernmental Relations. Approximately 2 years ago I had the honor to represent the U.S. Conference of Mayors in one such hearing held by this committee on this report of the Commission on Intergovernmental Relations.

In an earlier statement which I gave this committee and which is in your record, I stated that I thought the Commission on Intergovernmental Relations did commence the work on the study of problems in governmental relationships in a thorough and workmanlike manner and drew many sound conclusions, even though I did not agree with all of the recommendations of the Commission. However, I did express my fears when the Commission was originally formed on the grounds that it would lead to an attempt to dismantle Federal aid to cities and to end welfare programs of especial importance to urban populations. There was pressure on the State governments by large taxpayers to stop the Federal payments of funds for various grants-in-aid, such as housing and other things which are very vital to urban populations.

Of course the cities were alarmed, because, as you know, when a person moves into a city he usually has only one source of income, and that is the sale of his ability to work. When he cannot work or he cannot sell his labor power, he needs assistance from the community at large, and it is for this reason that many Government grants-in-aid were set up. Other Government grants-in-aid came for other reasons, such as the highway program, which came because there was a lack of coordination between local, State, and Federal Governments on the highway problems.

The relief problem which appeared about 1932 and 1933 when the U.S. Conference of Mayors was in its initial formations caused the cities to ask that the Federal Government supply funds to take care of the mounting relief rolls in these communities.

And so there was a great fear that the State governments, using the idea of States rights, were seeking to dismantle Federal assistance to the urban areas.

I further expressed a fear that there might be an attempt, based on debate resulting from a study of intergovernmental relations, to shove onto unwilling or hostile State governments functions which they were unwilling to assume or which they could not assume. I generally expressed the fear of many city governments of their State governments, which the cities regard as hostile to them in the matter of grants-in-aids, in providing salutary legislation and in providing proper representation. The cities have been afraid that States are seeking to cut off the rights of city people to be represented fully in the State government, while at the same time the States were trying to deny the cities access to the Federal Government.

Now this is very important because, as you know, in many States of the Nation the principal number of people live in urban centers, but they are very poorly represented in the State legislatures. In the past decade there has been an attempt by State legislatures all over the Nation to further continue this system of underrepresentation of local and urban governments, and to fix firmly into law a system of

representation which would forever deprive the people in the urban centers of representation according to population, in even one house of usually two-house legislatures.

The cities are especially afraid of this because if they have no place to present their problems in the State legislature, they at least can come to the Federal Government. They have felt that the States were trying to cut them off from appearing before the Federal Government to meet problems which the States were unable or unwilling to meet.

Continuing my statement: I warned the subcommittee that the cities' relationships with State Governments were not of the best and that any attempt by State interests to cut cities off from approaching the Federal Government for relief would be vigorously countered by the cities. My statement to this subcommittee also pointed out that the States had been unwilling, unable, or slow to deal with such problems of the city as traffic and highways, housing aids, metropolitan organization, and civil defense, to name but a few.

Nevertheless, despite the cities' original fears that a study of intergovernmental relationships was aimed at their well-being, I expressed the belief on behalf of the U.S. Conference of Mayors that a study of intergovernmental relationships was necessary and that a continuing review of these relationships is highly desirable, provided cities and their representatives could participate in discussions and deliberations.

My earler statement to this committee further pointed out that the United States has developed such a welter of governments that it would be necessary for wisely conceived legislation to continually seek to simplify these governments to make them understandable, both for the sake of economy and efficiency of government and for the sake of easy understanding by the people who must exercise their democratic rights and duties through these governments.

In this connection I would like to point out that in Wisconsin, the State—far from simplifying the types of government—has by special legislation, particularly designed against the city of Milwaukee to prevent its expansion, created a whole new set of local governments in the Milwaukee area, carving them out of townships—areas which are largely rural. The total number of governments in what is the Milwaukee metropolitan area, contiguous governments, now runs to about 24 cities, villages, or other communities which are incorporated, thus making administration extremely difficult in this area. This occurred despite the plea by many community leaders that there ought to be some better type of organization in the area.

In my earlier statement I further commented to the subcommittee that an important task of government would be to sort out the chaotic conditions of the various governments which had developed because it was difficult to administer grants-in-aid and to develop a logical tax program. I also pointed out that the Federal Government had a heavy impact on the growth and development of the operation of cities, particularly through the highway program, through the Housing and Home Finance Agency, through taxation, and through the efforts directed toward national defense.

For instance, if an atomic energy installation comes into an area as it did around Savannah, Ga., or southern Ohio, this has a tremendous impact upon the local governments in that it brings in many

people who require schools and education and all types of community services.

Or take the work of the Housing and Home Finance Agency, especially through FHA. The burgeoning of suburbs you see around every community has developed largely through the ease with which money can be borrowed for houses. This means that a tremendous load is placed upon the local government to supply sewer and water and schools, and the taxation necessary to provide it is often not there because the people who have purchased homes with an FHA guarantee oftentimes do so at the very margin of their ability to pay, and they cannot pay any more for taxes necessary to service these homes.

If one were to take the Federal Interstate Highway System and the way in which it is cutting through cities, changing the whole character of cities, placing the heavy burden upon cities that they cannot meet, particularly when cities have to provide for schools, it can be seen that this program also has a tremendous impact, not always to the good, upon cities.

My earlier statement also showed that the water problem of cities was a matter that reached across the State lines, and that the impact of Federal actions on rivers and harbors and airports had especially vital effects on the growth and development of the city. The statement emphasized that the Federal Government relations with the cities in connection with urban renewal and the social problems that come from the aging of the cities was most important. It pointed out, too, the deficiencies of the State governments in dealing with their own children, the big cities. The State legislatures were simply not adequate or prepared psychologically to meet the problem of the redevelopment and repair of cities which were aging, particularly those east of the Mississippi River.

It is not my purpose here to recount specifically what was said in the presentation of this statement made to the Committee in 1957. This presentation is in your files. However, I recount them in order to state to you that the conditions I mentioned in 1957 have changed but little. There still exists a tremendous confusion of governments and in some instances this situation has grown worse. The States are still struggling, mostly unsuccessfully, with the financial problems of the cities and even with their own financial problems. Thus you will find may States who have segregated highway funds have ample funds to pay for highways but do not have enough funds to pay for institutions or welfare needs or other problems, and they often tend to finance themselves by systems of taxation which very heavily tax the urban dweller and distribute the money elsewhere.

Now this is admissible and good to a certain extent, but what is happening at the present time, because of the States' methods of financing, is that most of the cities are going heavily into to meet their own problem.

The impact of the Federal Government continues to be immense upon the cities. Therefore, for all of these reasons, it is highly advisable to establish a permanent advisory, bipartisan commission on intergovernmental relations in order to develop better coordination and cooperation between the various levels of government. As the bill proposes, it is also necessary to apply scientific knowledge and understanding to the developments of our increasingly urban society which, as the bill so correctly states, is also increasingly complex.

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The great bulk of the increase in population in the United States today, at least so far as statistics are concerned that I can reach, indicate that this population is going into the cities. It is for this reason that the cities need scientific advice as to how this population can be handled, what is the best way to plan for it, how can industries be established to employ the people of these particular communities, and how can the necessary community services be established.

One of the reasons for the difficulties of understanding which exists between the Federal, State, and local governments is the fact that there has not been a systematic attempt to bring leaders of the various types of governments together on a regular and systematic basis for formal discussion of the problems that these governments face. As a matter of fact, at the State level of government there has been a hostility and a fear of the urban governments which has kept the State officials remote and apart from the developments of urban centers and largely unaware of these developments.

For instance, one of the great phenomena in America political life is the fact that you have rivalry between State capitals and big cities. In New York, it is the struggle between New York and Albany. In Illinois, it is the struggle between Chicago and Springfield. In Ohio, it is the struggle between Cleveland and some of the big cities and the capital at Columbus. In every instance we find there is a kind of tension in the strain existing between the State governments and the large cities.

You heard the previous speaker, the Representative from Illinois, mention that this condition seemed to exist in that State.

Bills H.R. 6904 and S. 2026, I believe, would remedy this lack of formal assembly to gather information from all levels of government in order to adjust the difficulties which may exist between these levels. It would also remedy the lack of sense of direction which the Federal, State, and local governments have as to where each one is going with respect to each other. It will provide an avenue for channeling the best technical information and most comprehensive knowledge that is now possessed by experts in the United States in the science of government that this knowledge may be able to improve the inner-workings of government in the United States.

I would like to point out that in the Commission's report—that is, Mr. Kestnbaum's, that there was a statement made that it was the function of the Housing and Home Finance Agency to work on the problem of civil defense as it was related to that agency. The agency returned with a reply which you have in your records stating to the effect that this problem is so immense that it could not solve it and therefore it has done nothing on the problem.

Now, with the creation of intercontinental ballistic missiles and weapons that can destroy cities with one blow, the whole question of the future of the cities ought to be considered, not only by the Housing and Home Finance Agency but by the Federal, State, and local governments, because here is the first line of our defense. There has been no concerted discussions between the various Federal agencies that have such an impact on the cities. The cities themselves and the States together have independently had a little bit of discussion, but not together; so that we do not have any sense of direction as to what we should do for the future in city planning: Shall we have these

great vulnerable urban concentrations or shall we find some other type of a community?

Continuing my statement: I am especially gratified that it is proposed that the membership of the Commission be composed of at least four mayors, to be submitted jointly by the United States Conference of Mayors and the American Municipal Association, along with the other categories of people which are mentioned in the bill. This representation of mayors is especially important for American municipalities because it has been the cities' fear in times past that intergovernmental relations meant relationships only existing between the State government and the Federal Government, and that the cities would be excluded from any decisions which may be derived from a discussion by officers representing only these two branches of government. The municipalities do not object, of course, to representation by the Governors or even to representation by counties since many counties are obtaining urban characteristics; but they do not want to be excluded entirely from intergovernmental discussions, as patterns seem to have developed in the recent past.

It should be stated here that important as the relationships between the Federal and State governments are, these relationships have with some exceptions taken a definite pattern and are more or less formalized in the Constitution of the United States; however, in the great area of growth of governmental relationships between cities and the Federal Government, there is no formal pattern which has been set in times past which would enable these relationships to be properly and delicately adjusted as time goes on. Now, with the tremendous growth of urban population in the United States, it is highly necessary that such a Commission on Intergovernmental Relations be established. This is the first step needed for a larger development of growth, interest, and study in the great problems that exist between cities and States and between cities and the Federal Government.

In connection with bills H.R. 6904 and S. 2026 too, it is important to note that there are two other categories of bills which are receiving consideration by another subcommittee of the House of Representatives.

The first of these two categories is a group of bills, H.R. 781, H.R. 2423, H.R. 984, which would create a department of urban affairs. One of the bills calls this department a "Department of Urbiculture." The purpose of this department would be to assist the city governments and metropolitan areas of the United States to meet their needs by assistance through education, research, technical services, and such other services as Congress may later describe.

For my own part, I believe that such a department ought to be created, particularly because of the huge populations now living in urban areas. There would be some objection to such a department on the ground that it is an invasion of the historic prerogative of State government and city home rule. An Advisory Commission on Intergovernmental Relations could study the entire proposition of these bills to see whether such a department is desirable. An Advisory Commission could make recommendations on some sort of formal recognition of the important city-Federal relationships that have developed in recent times, especially through the impact of the Federal Government's operations in, on, or near the cities of America.

Another category of bills is a group which reflects the growing metropolitan problem of the United States. These bills, H.R. 2416, H.R. 7282, and H.R. 7378, are similar in most respects. They call for the establishment of a Commission on Metropolitan Problems and Urban Development. It is perhaps within the knowledge of this committee that the multiplication of urban problems in the metropolitan areas has occurred so rapidly that many State governments have established commissions to study this problem. Local governments, too, are intensely interested in it. There is today a great amount of local clashing in metropolitan areas between the fragmented governments that have grown up in those areas as they expanded.

Note for example in the New York City area, there is an attempt at cooperation between New York and the communities surrounding it and the New Jersey cities. This is a matter which involves local, State and Federal relationships. You will shortly hear testimony on the Nashville problem. There was an attempt to develop a new pattern of metropolitan government there.

In Seattle there was an attempt to develop a new metropolitan pattern which developed out of a bad sewage problem. In the city of Milwaukee too, there is a great deal of discussion over the metropolitan problem.

In community after community in America you will see that this problem of urban growth is a matter that concerns not only State prerogatives but also the Federal Government's interests, particularly when these metropolitan areas, as in the case of Detroit, are international in character as well as bi-State in character.

The friction which now exists in the great metropolitan areas is so great that it is attracting the attention of most of the leaders of public life in urban areas. It is not too much to say that the United States, faced with the great world problems today, is hampered in its ability to solve these world problems by the vast amount of internal friction over problems of local government. The degree to which bills H.R. 6904 and S. 2026, the Fountain and Muskie bills, and the two other categories of bills can relieve these internal pressures and problems may help immeasurably in releasing public leadership to work on more important problems. Therefore, in my opinion, it would be advisable for the Congress of the United States to carefully consider these three classes of bills and, as an initial and constructive measure, to pass and enact into law the Fountain-Muskie bill.

The large number of volumes connected with the report of the Commission on Intergovernmental Relations of 1955 all add up to the necessity for the continuation of an official body to deal with the problem of intergovernmental relations. I should point out this specific recommendation was contained in that 1955 report.

The establishment of such a Commission is long overdue, and I trust, therefore, that there will be prompt and speedy action by the Congress of the United States to establish such a Commission.

Thank you.

Senator MUSKIE. Thank you, Mayor Zeidler, for an excellent statement.

It is the primary purpose of these hearings, as I understand them, to establish whether or not such Commission would be advisable, de-

sirable and necessary in the light of the existence of problems which are not otherwise being dealt with adequately. In terms of this objective, your statement is outstanding.

I think both your testimony and that of the Congressman indicated that there are differences of opinion as to what functions the various governments ought to be performing. I doubt that it is the function of this committee to establish what these functions are to be, but at the same time I think it is helpful, so I think your statement has been helpful, in suggesting various points of view as to the solutions to these problems which the Commission might discuss later on after it is created.

One point that I wish you could amplify just a little bit, in terms of your own experience, is the point you made in your statement that with respect to the relationship between State and local governments, the resistance to a greater measure of responsibility on the level of local government comes from State governments.

Mayor ZEIDLER. Yes, it does in my opinion, and I would like to amplify that.

You see, State governments were set up largely in the past century and they were set up when they were largely rural. Big cities as such existed only in small numbers.

Now in recent times there has been a migration from rural areas into big cities. Because of the way of life that exists in the cities, which is different from that in rural areas, there seems ot have developed a natural hostility. In addition there has occurred a shift in the balance of power—if this shift were to be recognized by representation according to population. A sparcely populated rural county, for instance, would not want to lose its representation in a State legislature which has a fixed number of seats. As a result there has been an attempt which has been largely successful, to maintain the representation in these rural areas without giving additional representation to the cities.

Thus in the California Senate, I believe that San Francisco and Los Angeles together represent about 40 percent of the population but they have only about 5 percent of the representation in the senate. And in Illinois in recent times, a system of disproportionate representation—representation according to land rather than according to people, I think, was fixed into the senate of that particular State.

And so when the cities attempt to present their problems of congestion, of migration, of decayed housing to the legislature, their problems fall first on deaf ears. Second, even if they could present their problems, their problems would not receive any support because there are not enough people representing the cities to give them that kind of vocal support as well as the voting support that the cities need.

And because of this problem there is a hostility on the part of the cities toward the States. They feel that the States are not taking care of their needs and that they are often directly hostile toward them. So the cities as an alternate means have made a trek to Washington asking the Federal Government to set up grant-in-aid programs to overcome the deficiencies of the State governments.

The State governments also have a problem. They do not have the same taxing power or taxing base that the Federal Government has. Even if they did have it, they would be prone not to exercise it. So

when the cities desire assistance for housing as they have in the past, State governments generally have been reluctant to give them that assistance and so the cities have come to the Federal Government for assistance to get rid of the slums.

And then the States have done another thing. They have not paid attention to the fact that there is a growth of the metropolitan areas. For instance, my community since 1948 has almost doubled in size, by annexations and consolidations, but surrounding the city there also has occurred a great growth.

Now if the States had been alert they would have established a master plan, or an agency to create a master plan for these areas to permit this growth to go forward logically, as it takes place, for instance, in the city of Stockholm, Sweden.

On the contrary, the States have encouraged the fragmentation of local governments. When these fragmented governments try to meet their school problems or their sewer problems they cannot because they do not have a tax base and they do not have any concert of opinion which enables them to act together. As a result you find many communities that are deficient because they cannot supply water and sewer services for themselves or they do not have enough tax base for school services; and thus you have a great many headaches that are developing in the metropolitan areas of America.

This type of Advisory Commission proposed in these bills could get these people together, have them exchange their views and decide in whose jurisdiction can this problem be best solved, whether it can best be solved between the States and cities, between the cities and the Federal Government, or between the States and the Federal Government.

This is the basis for the formation of this Commission.

I do not pose the true answer to these problems; I merely state that the Commission is a channel through which these answers can be arrived at.

Senator MUSKIE. Would it be accurate to say that within your State those communities which have within themselves inadequate economic resources to meet their responsibilities are more willing for the State to step into the area of local government, whereas those communities which have a sufficient economic base, if they were allowed to develop, are strong proponents for home rule?

Mayor ZEIDLER. Generally that holds true, although not absolutely.

For instance, the city of Milwaukee is the most self-sufficient of all the 24 municipalities in the area. We are willing to participate on some form of intermunicipal activity. I cannot speak for our entire Milwaukee Common Council, but on the whole I think this council would be prepared for some form of intermunicipal cooperation. But many of the surburban communities, particularly those which are the most deficient, want only one thing: they want the State to provide a law which will solve their particular deficiency but which at the same time will allow them to carry on a kind of "Suburban Apartheid," whereby they will keep their economic and social status without participating in the total problems of the community.

I think this is one of the real basic problems of confusion in the great American cities at the present time, this division between large city and suburb, between suburb and suburb, so that we are not

smoothly and rapidly solving the crucial problems of population growth.

Senator MUSKIE. I know your time is limited and I do not want to monopolize it, so I will ask some of the other members of the committee if they have a question.

Representative FOUNTAIN. We are happy to have you with us. I recall with interest your very forthright earlier testimony before the subcommittee. I had the pleasure of seeing you also during the course of the meetings of the American Municipal Association in Boston.

In connection with what you said—though I have no way of knowing, until he testifies, just what the position of Mr. Meyer Kestnbaum will be—I think it is interesting to note that in his letter dated June 20, 1955, to the President, transmitting the report of the Commission on Intergovernmental Relations, Mr. Kestnbaum used this language:

> No inquiry of this kind could possibly provide universally satisfactory answers to all of the difficult questions that are under discussion at any particular moment. We are hopeful this report will be regarded as the beginning rather than the end of a contemporary study of the subject of intergovernmental relations, and that it will stimulate all levels of government to examine their respective responsibilities in a properly balanced federal system.

I might say this report was referred by the Speaker of the House to the Committee on Government Operations, which referred it to our Intergovernmental Relations Subcommittee. After a very careful study of the report, we concluded that it was advisable to have regional hearings, and having had these regional hearings and come in contact with the point of view of representatives of all levels of government, which so clearly indicate a necessity for better coordination, cooperation, and more harmonious working relations between the various levels of government, I and others introduced this particular bill.

I have no further comments.

Mayor ZEIDLER. I would like to make a comment, Mr. Chairman, that I am very happy that Representative Fountain and Senator Muskie introduced this bill.

If you will note on page 86 of the Kestnbaum report, the report said that for continuing attention to intergovernmental relations there must be a permanent committee established.

I do not say it will solve everything, but there must be a continual feeding of information back and forth so that each level of government can correct its course by what others are doing.

We are introducing into the field of governmental relations this principle of cybernetics, that is a "feedback" mechanism, to enable us to steer our course in a conservative well-planned manner.

Representative DWYER. I would like to ask one question: I too would like to comment on your very constructive statement this morning, Mr. Mayor.

How would you envision that an Advisory Commission could help the U.S. Conference of Mayors? In a very practical way?

Mayor ZEIDLER. I will give you a practical illustration: As a result of the report of the Commission on Intergovernmental Relations, the Kestnbaum report, there appeared a particular chapter dealing with the problem of civil defense. The report said in this chapter that as a result of its findings, civil defense was not being very effec-

tive because the Federal Government was not a full partner. It was merely an advisory partner; and, under the Public Law 920 responsibilities had been placed upon the States and the local governments, and the report said that this was not working very well. Largely I believe as a result of this report, a new law was passed (I think it is called the Durham bill) which makes the Government a full partner in civil defense. As a result the whole civil defense apparatus of the United States has moved forward at a much better pace.

Now I envision that this Commission, by making studies and having leaders of the various levels of government talk over their problems, will come out with definite recommendations which will be practical and which will find their way into legislation or will be carried out by voluntary cooperation between the cities and the States and the Federal Government. I think this will be a very practical means of solving some of the situations that now confront the organized municipal bodies, such as the U.S. Conference of Mayors.

So I see some very practical suggestions coming out. The same kind of a practical thing was developed with respect to housing and urban renewal.

Representative Dwyer. Thank you, Mr. Chairman.

Senator Muskie. I would like to ask one question here before I forget it: Yesterday Congressman Fountain touched on this point, that in preparing this legislation some thought had been given to asking the State and local governments to support this Commission financially. The bill does not provide that for practical reasons that seem to be controlling, but what would be your reaction to that suggestion?

Mayor Zeidler. I would not particularly oppose this suggestion because if the Commission is good for State and local governments I think it ought to make some kind of a contribution toward it.

However, I think from the practical attempt of getting the State legislatures all over the United States, the 50 of them, to make some kind of a contribution, it would be a very difficult process and would hinder the coming into existence of this Commission which I think ought to come in existence immediately.

While I am talking here, I am thinking of another very great problem which affects the cities and the States, and this is the problem of mass transit. Recently seven mayors and five railroad presidents formed a committee—I am one of them—to discover what means can be obtained to solve the problem of the failing of rapid transit lines, particularly in the big cities. This is not only a problem between railroad presidents and mayors: This is also largely a problem that is settled by the policy of the United States with respect to the entire transportation system. The United States Government and the State governments are very heavily subsidizing the highway system and as a result there is failing of mass transit systems everywhere.

Now this sort of a problem which is being attacked voluntarily by municipalities in conjunction with railroads, because both of them are being hurt, is another type of a problem that this kind of an Advisory Commission could look at and could decide in whose jurisdiction—Federal, State or local—the solution really lies.

Senator Muskie. There is another point.

Yesterday we entered into some discussion with respect to the membership of the Commission and the form that it ought to take.

If the members selected measure up to the top flight people in these various groups, including the mayors' groups, would it be your judgment that they would be able to devote the time to the work of this Commission that would result in something constructive.

Mayor ZEIDLER. I believe they would and I reflected on that problem yesterday as I reread the report of the Commission on Intergovernmental Relations and particularly on the problems that dealt with cities. I noted that many of the people who signed that report are no longer in office. The election mortality of city officials, of course, you realize is very high. But the report they gave is a valid one today. 1955 was the date of the report. 1959 is the present date and not much of the report is out of date now. So it would lead me to believe that even though a man were in municipal office or in other office for only two years, he has enough experience in that period of time to be able to make concrete suggestions. I would think that people who would thus be nominated to serve on the Commission could attend the meetings and make a significant contribution.

Senator MUSKIE. If you were a member of this Commission how much time could you devote out of your responsibilities as mayor?

Mayor ZEIDLER. I sit in on several similar meetings a year. I think, however, there are many more talented mayors than I am who might be closer to Washington who would be glad to serve on such a Commission and could make many more dates than I could make.

Representative SMITH. I know it is true that in the Midwest the very people in the unrepresentative State governments who resist local governments' helping themselves also resist the local governments turning to Washington, which is more representative.

Is that true all over the United States or is that peculiarly true in the Midwest?

Mayor ZEIDLER. I think that is true everywhere. I think it is true everywhere, that the State governments are reluctant to raise the cost of government, that they are reluctant to solve urban problems, that they are reluctant to raise the cost of government to solve their own State problems, and that they are reluctant that any of their creatures, the municipalities, go to the Federal Government. I think this is a universal phenomenon.

Also, however, the cities themselves have a lot of problems and they need to be told things, too. People in the cities want a very high standard of living; they want to drive automobiles, they want fine houses, they have many children, but they are reluctant to pay for the costs of local government to service this standard of living. Perhaps someone from the Federal and State government must say to them "Look, if you want these things, you have got to pay for them, too."

Representative SMITH. Now the other question I have: I am on the Dawson subcommittee that is considering H.R. 7378 and some bills for a commission to study metropolitan problems and urban development.

Do you view those bills or the establishment of that kind of a study commission as in any way in conflict with the provisions of this bill?

Mayor ZEIDLER. No. I think that this bill should be a prior step, but I would be prepared to support this metropolitan study commission at once.

Now I must in this case speak as an individual because this cannot be the position of the U.S. Conference of Mayors. The Conference of Mayors represents central cities and suburbs. Some of the suburbs are almost as big as central cities, now. They do not want to be part of any metropolitan study. This is one of the great conflicts that exists in America. Each suburb says "I am sovereign," even though it may not supply water to itself, nor have enough money to pay for its school costs.

So I cannot speak for the U.S. Conference of Mayors.

From my own point of view I believe that the Federal Government has a very vital interest in studying what is happening in the metropolitan areas, even though the States are studying it, too. The State of New York, for instance, is not the only State that is interested in the metropolitan problem of New York, nor is the State of Pennsylvania the only State that is interested in the metropolitan problem in Philadelphia. This latter problem is a four-State problem as far as that is concerned.

Since the defense of America is complicated by the existence of these huge urban conflicts, I cannot see how the U.S. Government can fail to take a tremendous interest in what is happening in the piling up of populations in these huge urban centers.

Representative SMITH. You think then both bills would be preferable?

Mayor ZEIDLER. I would support H.R. 7378.

Representative SMITH. Thank you.

Senator MUSKIE. Thank you very much, Mayor Zeidler. As you return to Wisconsin, I hope you will carry with you my greetings to the Muskies of Wisconsin.

Mayor ZEIDLER. We catch them up there.

Senator MUSKIE. I have escaped capture in the last 4 years.

Mayor ZEIDLER. We would be happy to catch you. You would make a great contribution to our State by your leadership. Thank you.

Senator MUSKIE. Congressman Michel, I do not want to hold you here too long, so if you are willing to submit yourself to questions, it would be appreciated.

FURTHER STATEMENT OF HON. ROBERT H. MICHEL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

Senator MUSKIE. You touched in your testimony upon what you considered to be the two major problems of the area of intergovernmental relations. First, the competition for revenues and secondly, the explosive population growth of this country.

I doubt that I disagree that these are at least two of the major problems. As I said to Mayor Zeidler, these hearings are intended primarily to pinpoint the possible necessity for the creation of this Commission because of the existence of problems which are not otherwise being dealt with.

At the same time I think it is useful when a witness volunteers as you did to express your judgment on the merits of a particular allocation of responsibilities as between levels of government. It is useful to this committee and I think it would be also useful to the Commission at such time as it is set up.

So, I was interested in your discusison of the point of competition for revenues. This has troubled me for a long time because I was associated with local government and later with State government and now I am beginning an association with Federal Government.

It seems to me that one of the overriding influences in this field of revenues is the equalization principle which operates to make it possible for all areas of a State or of the country to apply an equal portion or measure of resources to different problems in order to establish some kind of uniformity of standards.

Since you touched upon the education problem, we all know that it was the equalization principle that led to the creation of public schools in the first instance. It was the equalization principle which took State governments into the field of education in the second instance, and I think it is the same principle which is part of the pressure behind the increasing demand for Federal aid to education, and grants on State and local levels—on the theory that all States do not have a like capacity to support the standards of education which many of us feel are necessary if we are to meet the challenges from abroad.

So, I wondered if you would be interested in discussing this equalization principle in terms of the division of responsibility as between State and Federal Government in the field of education.

Representative MICHEL. I think, from the beginning of time, this has always been one of the problems that has plagued us to some extent.

I just read this morning where my own State of Illinois ranges third in the Nation in the amount of Federal income tax which we pay into the Federal till. And so, naturally, those of us who come from the richer States obviously are always going to use that contribution to the Federal till when arguing against any Federal program which returns to us less than what our contribution is.

In some areas—many areas—we have acquiesced and said "For the good of the country we'll go along." We are probably a wealthy State because of the fact that we are a geographic commercial center, and that a good measure of our wealth is generated indirectly from the less populated and less richly endowed areas.

But, it seems in this one area, of education, or in all these areas in which we have found the Federal Government intervening only to the slightest degree when it comes to Federal funds, we always want to have a little bit to say, if not a lot to say about exactly and precisely how those funds are spent.

On this matter of education, personally, I say the Federal Government has absolutely no business being in the field whatsoever and from the very beginning education has been a matter of local responsibility.

In our voting precinct in Peoria, for instance, ours was 1 of only 2 out of a total of better than 200 which, in the first two referendums voted for a tax increase because my wife and I worked so strongly for it, while all the forces on the other side, including the largest labor union local in Illinois, were touting for Federal funds to build schools.

They said, "We are going to get something free." And we kept saying no, and no, and finally, on the third referendum the entire community realized that we were not going to get any Federal funds, or what Federal funds we got were going to be less than what we contributed in taxes and therefore, we might just as well face up to the

fact that, if we want some schools, we had better build them ourselves and be sure of local control through our locally elected school board.

I just feel so strongly about it on that score, that I just cannot give in to a suggestion that we need Federal aid to education. In addition, most of the bills talked about here are not predicated upon need which certainly must be the basis upon which to justify equalization.

Now, in some other areas I will acquiesce. I think we have on farm subsidies, school lunch, et cetera.

Senator MUSKIE. I do not want to stress this point to the extent we get into a debate on Federal aid, but I would like to make one factual statement and get your reaction to it:

In my own State, for example, something like 16 percent of the youngsters of college age get to college. Now, this compares with a national average that runs well over 30 percent.

This is not the result of any failure on the part of Maine people to measure up to their own responsibilities, I am sure. I think our Maine Yankees are as independent and as desirous of remaining independent of the Federal Government as the people of any other State.

It is significant, I think, that over the past 4 years, for example, the State contribution to public schools has increased almost 75 percent.

So, there is no lack of effort on the part of Maine, but the simple fact is that here resources do not compare with the resources of States I could list here for quite a while.

It is in the national interest to develop all the young talents that we have in this country in order to make up for all the shortages of skills we face all across the board.

What is the answer to the education problem of States like Maine?

Representative MICHEL. You are asking for an answer and I confess that I don't have one for Maine as I'm not as well informed on your resources or sources of revenue as I should be to give you a sensible answer, but I suspect this would certainly be an area around which the Commission would give some discussion at least.

I might address myself, if I might, to another point that I heard raised yesterday as to whether or not this would serve only as an information source, or whether it would have some force and effect in a sense of being advisory.

And I would say that, if it is just going to be an information source, another Library of Congress or another liaison office, then I think we have missed the point.

If so, then we ought to set it up just as an information agency.

I think, certainly, that the President and the Speaker and Vice President—those making the appointments and selections of these individuals—will pick people who certainly are dominant in their field and know something about these problems. I hope we would be in a position to rely somewhat on their good judgment and the recommendations they make.

I think we would be missing a point if they did not make some recommendations to us.

That is part of the justification for my voting for the legislation. And that is why I put such a special emphasis on the caliber and the type of individual appointed to the Commission. His or her thinking

and background will certainly have a bearing on the type of recommendations made.

The provision for only 2-year terms lends itself to frequent change of the Commission's complexion. I think, in looking over the bill, it tends to be a little bit weighted in favor of those more interested in the Federal Government rather than local government.

I do not think there are more than two or three, maybe, at the county level, although you do have some city representation by mayors.

Senator MUSKIE. Congressman Fountain.

Representative FOUNTAIN. I have no questions because of the number of witnesses I see sitting here waiting to testify. But I do think Mr. Michel has raised a very interesting point as to what the Commission can do in any study or in any recommendations concerning possible relinquishment of revenue sources by the Federal Government to local and State governments.

The Federal Government is using many tax sources some of which, it seems may well be released to the States. Offhand, I think of one as an example: I see no reason why the Federal Government should be levying a tax on billiard tables. There are other sources that could mean much to the States while they don't mean too much to the Federal budget. Certain areas are peculiarly suited for State and local taxation.

Senator MUSKIE. Mrs. Dwyer?

Representative DWYER. No questions, Mr. Chairman.

Representative SMITH. You said something about the number of grants-in-aid. What is the figure that you have?

Representative MICHEL. Just to make the point more pronounced if I might, Mr. Smith, at this time, with all the testimony that we have taken, I am at a loss to give you that precise figure but it was up between 40 and 50, if not more. Mrs. Dwyer is probably more conversant with the precise figure than I am.

Representative SMITH. That is all.

Representative MICHEL. If I might make one point before I leave, too, Mr. Chairman, that would be—and I think the question was raised with one of the other witnesses—relative to the time that these individuals might be able to contribute to serving on this Commission.

I think that is very important. Actually, there will be an administrative staff to which we will have appropriated funds. But that staff ought to be closely supervised by the Commission members.

If they are left with so much time to themselves, I can envision their getting pretty far afield and this Commission, if it only meets two times a year or so, definitely has got to draw some guidelines within which to operate and make absolutely certain the staff sticks within those prescribed guidelines for the funneling of information in whatever field the Commission might want to make recommendations at their next meeting.

Thank you for hearing my views.

Senator MUSKIE. I would like next to present Congressman Loser, who will introduce our next witness, Judge Beverly Briley. Judge Briley, I understand, testified before the Intergovernmental Relations Subcommittee on a previous occasion, and we are delighted to have him here today.

STATEMENT OF HON. J. CARLTON LOSER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TENNESSEE

Representative LOSER. Mr. Chairman and members of the Subcommittee on Intergovernmental Relations, I do not believe there is any one in my district, Nashville, Tenn., who is more familiar with the complexities of modern life and the need for the fullest cooperation and coordination of activities between the levels of government than your next witness. These problems have received the attenton of this distinguished young man, Judge Beverly Briley.

He has served as the county judge of my county for more than a decade, and he has served in that capacity with distinction and honor. He represents here this morning the National Association of County Officials. I do not believe there is anyone in the Nation who is better qualified to speak on this complex problem than the distinguished county judge of Davidson County, Tenn., Judge Beverly Briley, and I am very happy to present the gentleman to this great committee.

STATEMENT OF JUDGE C. BEVERLY BRILEY, DAVIDSON COUNTY, TENN., REPRESENTING THE NATIONAL ASSOCIATION OF COUNTY OFFICIALS

Judge BRILEY. Mr. Chairman and members of the committee, I will testify and just file my statement.

Senator MUSKIE. Without objection, the statement will be included in the record.

(The statement follows:)

STATEMENT OF JUDGE C. BEVERLY BRILEY, DAVIDSON COUNTY, TENN., REPRESENTING THE NATIONAL ASSOCIATION OF COUNTY OFFICIALS

Mr. Chairman and members of the committees of the joint hearing, my name is Judge C. Beverly Briley. I am chairman of the Davidson County Court, Tennessee, and president of the Tennessee County Services Association. I am a member of the National Association of County Officials (NACO) and chairman of the NACO Urban Area Committee. Intergovernmental relations falls within the scope of function of the Urban Area Committee. I deeply appreciate having been afforded this opportunity to state the position of the National Association of County Officials on this important proposed legislation. My statement will be on behalf of the nearly 6,000 elected and appointed county officials from 47 States who compose the membership of NACO.

The American county platform is the official policy statement of the National Association of County Officials. The American county platform takes a strong stand in support of the recommendations of the President's Commission on Intergovernmental Relations: "The National Association of County Officials reaffirms its enthusiastic support for the recommendations of the President's Commission on Intergovernmental Relations and commends the President, the Congress, and members of the Commission for this outstanding contribution to the understanding of American representative government. We particularly endorse the basic government philosophy of the Commission which states:

"Leave to private initiative all the functions that citizens can perform privately; use the level of government closest to the community for all public functions it can handle; utilize cooperative intergovernmental arrangements where appropriate to attain economical performances and popular approval; reverse national action for residual participation where State and local governments are not fully adequate, and for the continuing responsibilities that only the National Government can undertake" (sec. 1–6).

We believe that the subject legislation is essential, laudatory, and in direct furtherance of the American county platform policy statement. The bills under

consideration today recognize that local governments are virile and extremely active in the correction of their problems. Speaking for counties, I can testify to the amazing job which revitalized county government is doing to provide sound, efficient government services to millions upon millions of our people. The proposed legislation would not replace these increasingly efficient close-to-the-people local governments; rather, it is definitely a step in the right direction because it would fill the serious need of providing permanent leadership in the study and development of relations between local governments, the States, and the Federal Government. The creation of the Advisory Commission, in many ways, is an outgrowth of the comprehensive investigations by Chairman Fountain and the Subcommittee on Intergovernmental Relations of the House Committee on Government Operations.

The National Association of County Officials heartily urges the passage of this legislation, with one important revision which I shall respectfully submit later in my statement. Let me proceed quickly through this legislation (for the purpose of commenting) on those phases which are particularly meritorious in that they fill serious gaps in our intergovernmental relations.

The intended performance of the Advisory Commission would be to:

1. Bring Federal, State, and local representatives together on common problems.
2. Provide a forum for discussion of Federal grant and other programs requiring intergovernmental cooperation.
3. Give critical attention to conditions and controls involved in Federal grant programs.
4. Make technical assistance available to the Federal Government in review of proposed legislation to determine its overall effect on the Federal system.
5. Encourage discussion of emerging problems requiring intergovernmental cooperation.
6. Recommend allocation of governmental functions and responsibilities among the several levels of government.

The congressional intent appears well-calculated to assure that the Commission will have wide enough range to be really effective in promoting better intergovernmental relations. The performance area of the Advisory Commission is broad and provides freedom of movement for the Commission to get the job done.

The Advisory Commission would engage in such activities and make such studies as necessary to carry out its job within the intent of Congress. The Commission would have the authority to consider, on its own initiative, ways and means of fostering better relations between levels of government. Here again, the grant is broad enough to permit the Advisory Commission to effectively carry out the congressional objectives.

I am happy to note, to, that this legislation would give the Advisory Commission "teeth" in carrying out its duties by authorizing it: to hold hearings, take testimony, administer oaths; to require furnishing of necessary information by executive branch subdivisions; and to appoint, affix the compensation of, and remove staff director.

It is the provision for membership of the Advisory Commission which deeply disturbs conscientious county officials. As proposed, the Advisory Commission would be composed of 24 members, including: 6 appointed by the President (3 officers of the executive branch; 3 private citizens); 3 Senators, appointed by the President of the Senate; 3 Representatives, appointed by the Speaker of the House; 4 governors, appointed by the President; 3 legislators, appointed by the President; 4 mayors, appointed by the President, and 1 county official, appointed by the President from a panel of at least two county officers submitted by the National Association of County Officials.

It is difficult for us to hide our disappointment at the proposed composition of the Commission. We respectfully submit that our disappointment is justified. In an otherwise laudatory and immediately desirable piece of legislation, this proposal stands as a grim reminder to dedicated county officials of a situation that we have been trying to overcome for years: the stepchild treatment of county government. Enlightened, hard-working county people are hurt at this latest failure to be recognized because we have been conducting a hard, uphill fight to gain for county government recognition as a government form equal to and on a par with the Federal Government, State governments, city governments and other local governments.

In the name of fairness and in terms of the task which the Advisory Commission will have before it, I raise this question: Why should an Advisory Commission on Intergovernmental Relations be so heavily weighted in its composition in favor of the Federal Government (12 members including the 3 private citizens appointed by the President), State governments, (7 members), and city governments, (4 members)?

If counties are to make a really helpful contribution to the work of the Advisory Commission, we must be allowed sufficient voice. We must be afforded representation commensurate with the increasingly important role of counties in intergovernmental relations. As constituted in the present proposals, the makeup of the Advisory Commission fails to afford due recognition to the prominent role of counties in expiditing and carrying out many vast Federal programs. I need cite only the immense welfare programs which are administered through county officials in betterment of the living and working conditions of millions of our people.

The National Association of County Officials respectfully recommends, then, that a minimum of four county officials be appointed by the President to the Commission from a panel submitted by NACO.

If there ever was a time when county government and its officials could use a morale boost of this nature it is now. We struggle with seemingly insurmountable problems in meeting the demands and needs of millions of new citizens for augmented services of all kinds. Where there is a national interest, the Federal Government often assists in meeting these burdens. An Advisory Commission on Intergovernmental Relations, giving appropriate voice to each level of government, could work a tremendous service by providing the Congress and the public with a clear and accurate picture of where these Federal programs are needed and where they could be perfected. With a truly representative membership the Advisory Commission would give local officials a forum to make their needs known.

The proposed legislation is also sound in that it recognizes that while there is serious need for coordination between the Federal Government and local government, the coordination is needed among the governments and not just among the Federal agencies. For this, and other basic reasons going to the very foundation of the American system of government, we have opposed the creation of a department of urban affairs. The American county platform is, again, unequivocal in its stand against the weakening of the American system of government by the creation of any Federal department of urban affairs: "We oppose the establishment of a Federal Department of Urban Affairs on the grounds it would further weaken the States and would tend to create an unwieldly bureaucracy of the type found in many foreign countries" (section 1–4). We believe that the immediate and compelling need is for the strengthening of local governments, with a strong program of coordination and that this can most effectively be accomplished by creation of a permanent commission on intergovernmental relations such as was originally recommended by the President's Commission on Intergovernmental Relations (Kestnbaum Commission). You undoubtedly recall that the Commission recommended that: "* * * an Advisory Board on Intergovernmental Relations would be appointed by the President after such consultation as he deemed appropriate with associations that represent various levels."

In March of this year, here in Washington, D.C., the National Association of County Officials sponsored the first national urban county congress ever held in the United States. It was my privilege to serve as general conference chairman of this historic meeting and to be its keynote speaker. To my mind, the urban county congress was, and stands today as, the most convincing proof that county government is alive and virile and anxious to take whatever steps are necessary to meet the problems of the present and the future. County officials from across the Nation, meeting on a note of urgency, demonstrated what county government is capable of doing. The urban county congress in a dramatic way never before equaled at any place or forum in America, brought home the crying, desperate need for closer working relationships and cooperation between the various governmental forms in this country. The urban county congress forcibly brought home the truth: Federal, State and local governments must cooperate—must know and appreciate each other's needs and problems and work hand in hand toward their solution—or else a mounting tide of problems will force them into decline.

I think that Senator John F. Kennedy of Massachusetts vividly summed up the now-or-never atmosphere which pervaded the urban county congress: "Let me conclude by emphasizing one point. These problems of streamlining our Government, making the most of our potential growth, strengthening the core of our Nation in building a better, wiser, stronger America—these are not really questions of party politics or even governmental philosophy. Today they affect the very question of survival itself."

Mr. Chairman, we believe that a truly representative permanent Advisory Commisison on Intergovernmental Relations, such as would be created by the subject legislation, would help immeasurably toward strengthening the core of our Nation and building a better America. Again, I say, I am most grateful for this opportunity to come before you. I shall endeavor to answer to the best of my knowledge and ability any question that you may have.

Judge BRILEY. I do appreciate the opportunity to appear before you in the capacity of a county official who, as county judge, I might explain, is the fiscal agent of the county and presides over the sessions of the quarterly court, being the legislative body of the county, and also as a member of the board of the National Association of County Officials and chairman of the Urban Area Committee.

The matter of intergovernmental relations is a part of the subject matter of our subcommittee. We have been deeply interested in this particular problem for a long time, and in our county platform, the American County Platform, we adopted some of the points that came out of the President's Commission, way back in the origin of it, which, simplified, stated that we ought to see that each government at the lowest level provides the service necessary at that level.

Then, of course, as Mr. Fountain will recall I think, I emphasized this very strongly in the testimony we had given over in North Carolina some time back.

We heartly endorse the idea of establishing this Commission. We believe that it gives really for the first time the opportunity where people from the various levels get together and establish a forum of viewpoint as we might call it, from each particular level.

It is very easy for us in the press of the affairs of our own particular agencies of government, to overlook the problems that are in the other levels of government.

I think a good many of the problems emerge and swamp us because of the fact that it is rather difficult to relate to someone who is not doing it from day to day, what the total problems are.

I think that a very satisfactory and a very strong relationship in this program can be effected.

We know there are some agencies of the government where local people are appointed on advisory boards and commissions but it deals ordinarily with one function and it is not a matter of establishing a forum wherein the total problem can be looked to.

So we heartily endorse this idea.

There is another thing we who work in these problems know that none of these problems are not static. They change from day to day in intensity and they change in scope and sometimes we almost arise in the morning to find a new problem has emerged that none of us had really given adequate attention to prior to that time.

We believe that out of this Commission and the staff's work and the hearings and the recommendations can come a better allocation of the governmental functions and responsibilities among the several levels of government.

We believe that the congressional intent as expressed in the respective bills to create the Commission amply gives us the opportunity of doing that.

There is one point I would like to make in connection with the legislation, however, about which we have a concern. The recommendation, as I understand it, is that they have one county representative. I would like to point out that the urban area problem generally, as it happens in America today, is actually taking place in the county. And one of the reasons why we have been having the fragmented types of government around the central cities so often has been the fact that the county was the traditional local government, in the origin of our systems of government in this Nation and that the cities grew out of the complexities of problems of people living closer together and that through many years annexation should and did solve a good many of those problems.

Until the last two or three decades in particular that is true. There have been failures of annexation and I will not comment on the various reasons—I think there are many and there may be as many as there are localities, but the fact remains that that did happen, and one of the problems had been that traditionally we had not looked to the county government as an agency that had a chance of change. We believe that in the last decade, that has been taking place, and very effectively taking place.

The county, as the local government in most States has jurisdiction over the total community, certainly would be the logical agency, jurisdictionalwise and geographically wise, to really deal with the problems in greater intensity. And we believe that the county officials as a result of having to deal with each fragmented government and the total people, that we can eliminate some of the discussions that we have just heard here as to the metropolitan community and the rural community.

I might illustrate in my county of Davidson which is somewhat typical of many places—I think some may have more fragmented government—we have a county with about 380,000 people.

The city of Nashville has about 176,000 to 180,000. We have six small incorporated towns and all of this has been going on in the last 10 or 12 years. The county actually has jurisdiction on certain subjects of the entire area, and we have attempted there to work out consolidations and cooperation methods of performance.

The county really by virtue of its position is better able to work it out because there is a sense of competition sometimes, as between the local governments, and the municipal governments that we have.

We believe that the spirit of cooperation can be achieved by the various levels of government. We are successful in doing it in my county. We believe that it can be done with the State government and the Federal Government, if we can sit in in this common forum and discuss these problems and bring them into proper focus.

Senator MUSKIE. May I say here, Judge Briley, that it comes as something of a surprise to one from New England to learn the importance of county government in other sections of the country. In New England it is not important at all. As a matter of fact, the State of Connecticut just this year abolished county government. I do not know if you are familiar with that development.

Judge BRILEY. Yes, I am familiar with that.

Senator MUSKIE. In Maine while we have county government, it is constantly shrinking and there is an increasing demand for its abolition in Maine.

Judge BRILEY. I think the reason it has been shrinking is the fact that the States have not generally recognized the problems, as they have been emphasized in the previous testimony I have heard here today. I think sometimes the county leaders in the years gone by were not aware of their responsibility in these additional and new problems. But, as I say, I think in the last 20 to 30 years that has been changing and it has been changing because of the different living habits and the governmental jurisdictions under which people will live. And more and more, attention is going to have to be focused on the areawide jurisdiction and I think one of the weaknesses in our political system has been our failure in the past in not doing that.

As an illustration of something that is rather acute in this type of a problem, the county, which is an area planning commission in my State, has the zoning and planning subdivisions of the entire county, about 553 square miles.

As each little incorporated city comes into existence, they established their own planning commission. Sometimes they do not interrelate their work to the total community's problems at all. In some of the highway, the major highway, some of the Interstate System plans, we are having a great deal of difficulty in rerouting our county system of roads as it might affect those little communities. Heretofore the counties have not had the authority of jurisdiction over that type of a problem. We are seeking it and little by little we are getting that authority in our studies.

They are the things that I think the areawide jurisdiction of counties give a great deal of importance to.

Senator MUSKIE. What local services does county government provide?

Judge BRILEY. In my State we operate the school system, we operate the health department, we operate the highway system, excepting the incorporated areas.

We have the planning commission which does a much more creditable job, I believe, and without any criticism of it—but because we are doing it on an areawide basis, and it is not just the individual interests of individual neighborhoods to dominate the entire thing.

Senator MUSKIE. The police and fire functions?

Judge BRILEY. We do not operate the fire functions; we are or have a sheriff's patrol that operates the police functions.

We are now for the first time by act of the last legislature, going into certain areas and by revenue and by some general obligation bonds establishing sewage systems. We are now developing our first plant of that type.

Senator MUSKIE. What are your county taxes?

Judge BRILEY. My county tax rate?

Senator MUSKIE. Does it consist of property tax?

Judge BRILEY. About 65 to 70 percent of our taxes each year come from property tax, general ad valorem taxes levied on property. The balance of the revenue is a share in the State sales taxes that are marked for educational purposes.

Senator MUSKIE. With respect to your property taxes, do you levy those directly?

Judge BRILEY. Yes, the legislative body, the quarterly county court, 54 members, 2 from each district and 1 from each incorporated city, except that Nashville has 19 in the court.

Senator MUSKIE. The county collects directly from the taxpayer?

Judge BRILEY. That is right. We collect for the whole area.

Senator MUSKIE. It is interesting to go into this point generally, I think: The county revenues come from the communities. That is the community levies the tax and collects it and then apportions it to the county government.

Judge BRILEY. You can see the duplication, the overlapping. If it was treated on an areawide basis, how much simpler those things can be done.

We believe that this awakening that was very obviously needed on the part of counties, is putting it in its rightful place. Someone used the reference of political scientists referring to it as the dark continent of American politics.

We believe certain State legislatures were not aware of the problem but we believe the pressing of the problem and the demand has introduced a reawakening of counties where we have had to get into additional various fields and functions.

Senator MUSKIE. In how much of the country would you say county government is important?

Judge BRILEY. I would say pretty much outside of the New England area, it is important. There have been some editorials written lately commenting on the fact that only in the New England States did it have that weakness.

Senator MUSKIE. I hasten to say at this point that in New England it is considered a strength and not a weakness.

Judge BRILEY. I am sure the Senator would insist upon that. We have some States—I remember South Carolina—the county government isn't as strong there because it is not and has not been performing the full functions of government.

The highway system is about the total performance it has given and the tax rate is established by the State legislature and has been throughout the years, so how could the county government ever be strong, where the State legislture dominated even its ability to levy taxes?

I think there has been strength given to supporting these various programs and one of the weaknesses has been there.

My Congressman suggests I emphasize the thing taking place pretty generally in America and it certainly has come about in our area and we have observed it in the others. The matter of the people leaving central city and going out in the urban areas.

Of course, I think we are all aware of that as an increasing problem.

I would say generally when we talk about the urban area problem that people in the past have thought of the municipal governments and the municipal government is having its problems but the problems of the people that have had in this, in the main, are county problems. We have more people outside the city of Nashville than are in the city of Nashville, today, and they have all of the close, confined living

in a good part of that area, so we have had to urbanize our county in a sense.

I think the more we accomplish it the more areawide thinking we get in our political life, which I think is good—it does not let that condition exist which sometimes gets into a central city that does not expand in its population and the citizens move out as their economic conditions improve as we have observed.

We believe that, if the counties were paricipating more helpfully in this matter, that they could contribute a lot to this matter of cooperation and agreement.

Representative FOUNTAIN. What you say with respect to your State is true in my State. I suspect we have one of the strongest county systems in America. All of our 100 counties are very active, and we are fortunate in that none of our counties which are also metropolitan areas has too many local units of government, such as is true in many of the metropolitan areas in other States.

I might state I happen to have been born in a rural section and as we began discussing the composition of this Commission, I am frank to say I may have been influenced by that fact in wanting more representatives from the counties to serve on the Commission.

Yet the more I thought about it, the more we discussed it together—those of us who were interested in the bill—the more I was convinced that we did have a problem.

For example, in setting the Commission membership at the manageable—I hope—number of 24, it was our intent to divide this number between the Federal Government with 12, and the local and State governments with 12. In fact, the three private citizens should more properly be regarded as local representatives.

While it is true that county government is very important in some States, as you have pointed out and as is true in my State, this is not universally true for the country as a whole.

In some States, counties serve only as administrative units for the State government. I might say it was with this in mind that we finally concluded counties should be represented in the Commission but could not reasonably be given the same numerical representation as the other levels.

If there is some way we can work it out to increase county representation, while keeping the Commission manageable and keeping all of the others who are interested in this matter satisfied, personally I would like to see it happen.

Judge BRILEY. I think it is important. Many times the counties and cities can be in complete agreement on these matters but there are times when there are obviously very strong conflicts. In the areas where county governments are trying to do a job for an areawide jurisdiction, you can imagine the conflicts that get involved in it.

It is brought about to some extent, through what I would call selective annexation in certain areas. I think if annexation had been successful as it was originally conceived, we would not be having some of the problems we are having now but the fact that it has failed without going into the cause of it has thrown this burden and has made counties move over into fields that they were not originally intended for.

As you pointed out, I think originally and traditionally counties were the local branch of State government to administer the State affairs in the locality but that no longer is true and I think that counties are recognizing it.

If you will notice in these new programs of trying to meet the problems which have gone on in Los Angeles and Dade County and many other places—we have attempted in my county and I do not think it was a failure yet—it was something new and sometimes we have to look at it three times before we recognize the value of it.

I think that is happening and we think of that in terms of county-wide jurisdiction as we study these problems.

I think for that reason where these areas of conflict come about, more county people could be more expressive of the county viewpoint and I think could be very constructive to the intended program of the Commission.

Senator MUSKIE. Mrs. Dwyer?

Representative DWYER. Judge Briley, can you provide for our record a statement giving facts and figures concerning relative importance of county units in providing major public services throughout the country as compared with municipal and State governments?

Judge BRILEY. Yes, I think we can. We had a survey on that then, sometime back that may need modifying or be brought up to date and we would like to have the record held open for us to file some additional material. This matter is getting a lot of attention in here from county people. They are anxious about it.

Our association has some 6,000 appointed and elected county officials and there are 47 States associations affiliated in the national association.

With the awakening that has been taking place in the last 30 years or last decade in particular, we are deeply interested in this and we would like to be able to file that and some additional statements.

(The information is as follows:)

JULY 7, 1959.

Congresswoman FLORENCE P. DWYER,
House Office Building, Washington, D. C.

DEAR CONGRESSWOMAN DWYER: At the recent hearings on bills to establish a permanent Advisory Commission on Intergovernmental Relations you requested supplemental documentation and information in support of NACO's testimony which endorsed the legislation and which urged that counties be afforded representation commensurate with their new status and responsibilities. The attached memorandum, we feel, will serve to highlight some of the developments that point to the rapid emergence of counties as one of the important local governmental units in this country.

It is our privilege to develop and present this additional commentary and we deeply appreciate your interest in the modern role of county government.

Sincerely,

BERNARD F. HILLENBRAND, *Executive Director.*

SUPPLEMENTAL STATEMENT IN SUPPORT OF THE TESTIMONY OF THE NATIONAL ASSOCIATION OF COUNTY OFFICIALS URGING THE CREATION OF PERMANENT ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS ADEQUATELY REPRESENTATIVE OF COUNTY GOVERNMENT

Modern America is witnessing a growing network of intergovernmental relations. The year 1959 finds this country depending upon an increasingly complex system of shared responsibilities by units of Government rather than upon a sharp separation of functions among the several levels of Government. "Cooperation" has provided the solution to many vexatious problems and all units

of Government have come to rely upon the intergovernmental approach to get the job done.

One of the significant effects of this evolution of intergovernmental relations has been to enhance the importance of the county in our whole system of Government. The emergence of county government is aptly described in the monumental report of the President's Commission on Intergovernmental Relations:

"The intermediate position of the county between the State and municipal governments in some areas, and its position as the primary area of local government or administration in others, have steadily enlarged its importance in intergovernmental relations. It continues to serve in its traditional role as an agent of the State for law enforcement, judicial administration, the conduct of elections and other important functions. At the same time, county governments have gradually been acquiring functions and powers of a municipal character, some of them transferred from municipalities with inadequate area and resources. *The result is that in most States the responsibilities of local government are increasingly being divided between municipalities and counties.*" (Italics added).

Since World War II there has been a decided change in attitudes with respect to county government and its future. As county functions have grown in number, importance, and magnitude, the public, authorities on Government and county officials themselves have reversed or modified their thinking and now look at counties in terms of their real potentialities under modern conditions. No longer is the county thought of as being a mere agent of the State, and a sleepy, antiquated one at that.

To an amazing degree, individual functions are now being performed on an areawide basis through the revitalization of county government. We have ample documentation of counties in both urban and semirural areas taking over responsibility for areawide traffic and parking, zoning, industrial development, taxation and finance, water and sewage disposal, hospital construction, community colleges, outpatient clinics, planning and even urban renewal. For example, in 1850, California counties performed 22 basic functions. By 1909, in the larger counties, this number had increased to 167. During the next 24 years, 1910 through 1933, the greatest increase in county basic functions occurred. The 167 functions existing at the start of 1910 increased to 784 in 1933, for an average increase of 25 functions each year. Today it is estimated that well over 900 different functions are performed by the counties.

The sheer mathematics of the American political and social scene also has brought the public to an abrupt and exciting awareness of the new role of counties. The man in the street now realizes that 6 out of 10 Americans live in 170 metropolitan areas. In 100 cases, this area is encompassed by a single county. Although the vast majority of counties (84 percent) have populations of less than 50,000, it is significant that 77 county governments in 26 States serve populations of at least 250,000. These 77 account for over one-third of the population of the 3,047 areas with county government. The average population served by a county government is 44,000. This ranges from Loving County, Tex., with 227 inhabitants to Cook County, Ill., and Los Angeles County, Calif., each having more than 4 million. In fact, the population of Los Angeles County is exceeded only by the total population of seven States—New York, California, Pennsylvania, Illinois, Texas, Ohio, and Michigan. The public is also getting acquainted with astounding facts such as the revelation that county government spends $6 billion a year and employs 668,000 persons.

Then too, the county government movement has been accelerated in recent years by the fact that the National Government has found the county more convenient than the municipality as a base and administrative unit for a growing number of grant-in-aid programs. The President's Commission on Intergovernmental Relations did not fail to note this trend and drew these conclusions:

"The county seat is commonly the headquarters for officials administering certain Federal programs, and the county government is often the only available local unit with which the National Government may cooperate. In three fields where Federal grants-in-aid directly affect large numbers of people—welfare, health and agriculture—the county is involved in varying degrees. Welfare is administered at the county level, sometimes by the State and sometimes by a county welfare board that is a substantially independent agency. In public health, it is a national policy to encourage local administration by county or intercounty health units. The national agricultural programs, except for soil

conservation technical assistance, are based on the county, either as an administrative area or as a unit of government, and as a matter of fact about 80 percent of the soil conservation districts are coterminous with the county. Counties, of course, participate in the highway program and are sometimes involved in other national programs."

The President's Commission saw counties playing not a decreasing but an increasing role in our Federal system and saw this as a reason for strengthening their capacity for self-government. In furtherance of this new role, the Commission urged that States give counties the opportunity to obtain modern charters, to use modern methods of administration, and to exercise more home rule powers.

Last November, Minnesota, Oregon and New York joined California, Maryland, Missouri, Ohio, Texas, and Washington in revising their constitutions to authorize the voters of counties to adopt their own county charters.

There is, then, evidence of a mounting belief and faith in the American county and a growing interest in preparing county governments to meet greater responsibilities. This interest is manifested in the expansion and development of progressive programs by the 43 NACO affiliated State associations of county officials. Within the last 18 months five State associations have been established on a full time basis. They include New Jersey, North Carolina, Wyoming, Florida and Oregon. In addition, at least four other States are presently considering the establishment of similar offices.

President Eisenhower, in his message to the first national urban county congress, expressed his belief in county government: "As the elected and appointed representatives of the 300 urban counties in which more than 6 out of every 10 Americans now live, you are faced with a thousand new challenges. As our ancestors met the challenge of their times, so I have faith that you would help us meet this generation's."

Vice President Nixon, in his address to the urban county congress, sensed the task of county government: "The course of progress in this country depends on you."

The Governor of California, Edmund G. Brown, has urged that county and city officials cooperate, not compete, and that counties move to strengthen their home rule powers.

From all areas, and from all quarters of responsible authority and opinion, and irresistible tide of opinion is developing and the conviction is clear: The future of the United States depends upon the revitalized institution of county government.

Representative DWYER. Have the county governments ever supported or opposed various Federal grant-in-aid programs affecting the municipalities within the county unit?

Judge BRILEY. I do not recall any instance of that. Let me say this: I think most of the Federal aid programs in the main have actually been dealing with the county government, the welfare, the highways—of course the States are involved in that but the bulk of the highways of course are outside of the incorporated area—the Interstate System and the Federal primary system.

Actually in the matter of public health in most cases they have countywide health departments. I know generally in our area they do. And the welfare program is administered at the county level, so actually in the programing of Federal aid, a substantial part of the relationship has been misrepresentative again, back to the fact of the importance of counties as the area of jurisdiction.

I do not recall any instance of objection to the requests that have been made.

Representative DWYER. Thank you very much.

Representative SMITH. Will your further statements reflect the trend of zoning on a countywide basis and adopting building codes?

Judge BRILEY. I do not know whether our survey encompassed that when we made it originally.

That is a relatively new field. Right now we are establishing some codes of that type. We have had electrical codes and fire codes in my county for instance for some time. We are adopting presently a new building code. We do not yet have a housing code. We are seeking legislation giving us authority for that.

Representative SMITH. It is new but it is the very root of many of these various problems.

Judge BRILEY. That is right.

We are rather new in that field and it is taking place. I can get that information for you.

Senator MUSKIE. Thank you very much, Judge Briley. It has been a pleasure to have you and we welcome your comments.

Judge BRILEY. Thank you very much.

Representative FOUNTAIN. One further observation, Mr. Chairman.

Of course, Judge, in connection with welfare and things of that kind, your relations are directly with the State, are they not?

Judge BRILEY. Yes; believing in the local autonomy which I think is more of the American system, as contrarywise to the Canadian system, I think we prefer that a good deal of that be administered in that manner; yes, sir.

At the same time we do have a lot of communications in recommending policy changes and this, that and the other thing with the department, because we are actually doing it at the local level and can bring back important information to them from time to time as a result of that local administration.

Representative FOUNTAIN. There are many questions we would all like to ask you but in the interest of time, with the permission of others on the committee, we will suspend our questioning so that all the others can be heard.

Judge BRILEY. Thank you very much.

Senator MUSKIE. The next witness will be Congressman Robert A. Everett.

STATEMENT OF HON. ROBERT A. EVERETT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TENNESSEE

Senator MUSKIE. I enjoyed visiting your State recently, incidentally.

Representative EVERETT. Thank you.

Mr. Chairman, all I have to say is that I wish to concur in what has been said by Judge Briley.

Judge Briley was president of the Tennessee County Services Association which is an organization of the county judges and county highway officials of Tennessee and I had the honor and privilege of serving as executive secretary for 4 years, immediately before coming to the Congress, with that organization.

I worked closely with Judge Briley and we worked together. We started an organization without a single county and before I left we had all 95 counties in that organization. He is thoroughly familiar with the problems of the large county and the small county.

Although he comes from a county of 320,000 population, he has at all times kept in mind the associations of the little counties and we all worked as a team.

I certainly want to endorse this bill that has been introduced to have a study made of all phases of county, State, and local governments.

In that I might say that I have had the privilege of serving as a member of the county court of Obion County which is the local governing body of that county, also a circuit court clerk, administrative assistant to Senator Steward and administrative assistant to Governor Browning and of course with the county judges of Tennessee, and also being in the Congress now. That has given me a real opportunity to come in contact with these problems.

I certainly want to commend this committee for the wonderful job they are doing in holding these hearings and going to the grassroots to ascertain the needs through such a committee as this.

Senator MUSKIE. Thank you very much.

Representative FOUNTAIN. Thank you very much.

We appreciate your coming over.

Senator MUSKIE. It is a privilege to introduce the next witness, former Congressman Brooks Hays who was not only an outstanding Member of Congress for 8 terms but has also served with distinction as a member of the Kestnbaum Commission. In addition, he was a delegate to the United Nations General Assembly.

In view of his background, his observations are especially valuable to this committee.

It is a pleasure to have Mr. Hays before us.

Mr. FOUNTAIN. Mr. Hays was held in the highest esteem by every Member of Congress.

STATEMENT OF HON. BROOKS HAYS, A FORMER MEMBER OF CONGRESS AND THE COMMISSION ON INTERGOVERNMENTAL RELATIONS

Mr. HAYS. I appreciate the words of the Senator and my former colleague, Mr. Fountain.

I was with a British visitor last night and he said something that sounded a good deal like Gladstone.

We are all familiar with the famous accolade of Mr. Gladstone on the American Constitution but there is an implication in his statement that experience proves is not secure.

That is that in its mystical power to function over a broad area, the mechanisms of government that were created by it are rather self operating.

Of course, as we have learned through the necessity for amending it, it was not so conceived: I think we could put a little postscript to that—and incidentally, the Britisher was saying that it was his judgment, as a student of government around the world, that there has never been a demonstration of genius in political enterprise comparable to the work of the Founding Fathers.

Now the postscript of what Mr. Gladstone said that I would like to add is what Madison said, at the conclusion of their labors, which is that this system that has been devised will work if there is reciprocal forbearance.

I have enjoyed quoting him because, you see, we have not only the necessity for pursuing the ideal of good craftsmanship through change

in our Federal system, but also operating within the Federal system without change through wise policy decisions that make for the good of a people as diverse as ours.

In pursuing this ideal there is the necessity for considering those two phases: (1) The education of the people, the participation by people in the extragovernmental operations and then (2) the development of high craftmanship, of skill in the mechanisms of government.

It seems to me that in this legislation, Mr. Chairman, you have something that has significance in both fields; you would not only set up here a forum that may or may not lead in specific situations to specific measures or decisions, but one which would also provide an outlet to those who have a grievance to air, an aspiration to voice. I place high value upon that.

I hesitate to say anything, Mr. Chairman. It was fine of you to ask me to come and I presume it was my participation on the Kestnbaum Commission that led to the invitation. But fortunately you have on your staff one of the most useful men that we had on our staff, Mr. Goldberg, and he has the answers to many of these questions.

But, if I might pursue this just for a moment, I was invited I believe 2 years ago by Mr. Fountain's subcommittee to make a statement there and I regarded this committee, its consideration of my views, so highly that I placed my testimony in a chapter of my book—This World: A Christian's Workshop.

I am not promoting sales, though I do need the royalties now that I am out of a job.

Senator Muskie. Would we violate a copyright if we included that chapter in the record?

Mr. Hays. There would be no difficulty.

One of my friends said in a meeting the other day he thought it was a good book, he wondered who wrote it for me, and my reply was I wondered who read it to the gentleman.

Pardon that reference but my statement is in the book which Broadman Press issued last October, just as I gave it to the committee.

Mr. Chairman, it is evident from the testimony I heard this morning that in back of the tensions that produced the necessity for this legislation are two things: (1) The mobility of people. It is the underlying fact, it seems to me, of the midcentury's life that calls for policy by the Federal Government and greater knowledge by the people; (2) and related to that is the growth of rapid communication so that the scientific change that produced mobility of people leads to the drawing together of the people who have not moved, so that we live in a small neighborhood and a mobile neighborhood in the United States, and underlying it comes the stern necessity of studying this great Federal system.

The Federal system is a hard system. It is the most difficult system I suppose that could be made to function. The unitary system does not find people plagued with these tensions.

But I think we can preserve this Federal system and I think we can make it work. It is our system and it is, we believe, the best way. It was devised to meet our special needs.

But it will not work without constant study.

If I came out of the Kestnbaum Commission with one clear feeling and conviction it is that this must be a continuing study. From the

study which I have given your bill I would like to say that the Senate bill, Mr. Chairman, and the bill offered in the House by my friend, Mr. Fountain, these bills seem to me to fill that need admirably.

I think, as I did not think on first blush, that the very composition of the personnel is ideal. I do not think it could be improved upon.

Now, for illustrative purposes, I mention the race question. I would like to be identified with other problems than the race problem. But mobility of people has accented the race problem in our country.

There is the new demand for changes in Federal policy that grows out of the fact that there are more members of the minority race in America, more Negroes, living in Chicago than live in any southern city, I believe.

I will highlight the situation with this fact: They write home and they visit home and they even return home to live again in an area that has different customs and this creates tensions and it has political implications, in the South and in Chicago.

And sometimes we simply hide behind our political protections in our own political house which we construct based on the political expediencies of the locale.

This is not worthy of us and it is not the ultimate solution, and there is a growing number of men of our profession, the profession of politics in the South, who realize that we must emancipate ourselves to the extent of studying, from the national community standpoint and the good of the national community, the growing tensions—I hope they are not growing any longer. I should say the existing tensions. I believe they are actually dwindling.

But this Commission could do a great deal in this program that is related to the problem of the patterns of government that make for the good of the society.

Because, while we all believe in the dynamic society that gives free play to the aspirations of different groups—racial, industrial, and sectional—we nevertheless realize that in a world such as ours there are minimum demands of national unity that have to be met. And since we are the world's leader and are the chief defender of freedom in the world, you see, Mr. Chairman, we do inevitably get around to international problems and there is this problem of international unity which has to be served.

Therefore, I regard this committee's work as being extremely important. I do not know of any other committee right now that is considering a problem that is any greater than this and that has the magnitude that should demand the attention that this committee has.

That is my feeling about it.

Senator MUSKIE. We have three levels of government but one system of government.

Mr. HAYS. Exactly.

Senator MUSKIE. And we must also make it flexible enough so we can apply it to any of the phases, on any of the levels, to the problems of our country.

Mr. HAYS. Exactly.

Senator MUSKIE. I know you by reputation to be not only a political philosopher of note but also a very practical political craftsman.

It seems to me, and I think it does to other members of the committee, that there are three resistances which we must meet before we can get this bill enacted into law.

First, is that almost automatic reaction, "Well, you are just proposing to set up another Commission."

The second is that, what we are doing here is just duplicating the same sort of discussion and study that has been done over and over again.

The third resistance, I think, would be related to the makeup of the Commission; that what we are going to have here is a heterogeneous group of people spread all over the country who have heavy responsibilities and who cannot work effectively as a group.

You touched upon that last point somewhat. I wonder if you would state your reaction to the first two points, that this is just another Commission and that this is just a duplication.

Mr. HAYS. I see no escape from what you might call the proliferation of agencies. Now I do not mean that we can go on just multiplying commissions and agencies, but as we find some new need, and establish a commission, we also find the atrophy of commissions that were born out of another necessity that can be abandoned.

So, if we well use care in abandoning commissions—and there is a precedent for it—if we watch that side as well as the additional agencies, then I think we can meet what might be a valid criticism of multiplication.

But to refuse to meet a new need, with imagination, such as underlies this legislation, is simply not to give proper weight to the dynamic character of this Federal system.

I see no escape from it. In other words, the alternative of doing nothing because you do not want to yield is to assume that we have already achieved the ideal. But we need changes, and inaction is unthinkable with America's genius for going forward in other fields.

One trouble, Mr. Chairman, is that we have lagged in working this whole political enterprise, as I like to call it. People in America have falsely assumed that the system, being what Gladstone said, largely will operate itself.

And we have given so much of our intellectual energies in America to other fields—the fields of business, of education, and of religious institutionalism, if I might come into another field that has demanded some of my attention in recent years, as the chairman knows.

If we could relate these energies to this problem of getting people to recognize their mutual interests and to be less rigid in their loyalties to local, State, and Federal Government so they see the higher level through imaginative eyes, if we could pour some of their righteousness into the political enterprise as distinguished from the valid other loyalties of commerce, and so on, I think we would be meeting the demands of the 20th century, because man is a political creature and he must not let there be a lag in this field.

So, again, you are doing something to dramatize the importance of politics, or of government.

I do not know whether I have spoken to your point or not, but I certainly do agree that it is not a valid argument that we must not have any more commissions.

We have to have them in a dynamic society.

Senator MUSKIE. You have responded particularly well, Mr. Hays. I thank you for it.

Representative FOUNTAIN. The Commission on which Mr. Hays served filed a very valuable report.

As I said earlier, that report was dropped in the lap of our subcommittee. Now, we could have done, as is so frequently done with Commission reports; we could have ignored it and in all probability, as far as the Congress is concerned, that would have been the end of it. But, in good conscience, we felt the necessity for a careful study of the report and the supplementary documents which were submitted. We felt that in addition to the study which had been made by your Commission we ought to get the viewpoint and thinking of people at the grassroots, the officials of local and State governments, and so forth.

After having taken testimony from all of those people, and many private individuals and organizations, we realized the innumerable problems confronting them, the difficulty involved affecting proper coordination and cooperation between the various levels of government. We then concluded that if we stopped merely with the filing of our report it would simply be just another report which might have use in libraries and for research and educational purposes. We felt that it definitely needed implementation. We then hit upon this idea as a means of giving all levels of government an opportunity to express themselves and to engender a mutual understanding of each other's problems.

Do you agree that such an approach is proper?

Mr. HAYS. Mr. Fountain, I could not agree more. I have spoken in warm tribute of your committee.

I said at the time the Kestnbaum Commission report was filed, while it was an expensive study and cost more than we had anticipated, it was worth every dollar of it.

I predicted it would be a sourcebook for years to come, containing ideas, conclusions and studies that were invaluable. That prophesy would not have been fulfilled if you were not going into it with that feeling, that here was an expenditure of energy and money that just should not be lost.

It was interesting how there was an occasional shift of opinion. Of course, men do not seek just a common level, a diluting of convictions so that you get just a dead level of inanimate matter in this field. But it was interesting to me to see how the Governors, for example, who were on the Kestnbaum Commission, abandoned their feeling pretty early that this was going to be a one-package answer to their understandable complaints about centralization.

When we got into the question of soil conservation and agricultural policies, one of the most dramatic shifts came from one of the Governors who said:

> I am convinced, after these months of study, that what I had hoped would be a decentralizing process in soil conservation just is not wise, because river valleys crossing State lines have to be considered as units.

These things that are inherent to our system are breaking some of the old concepts and are restoring some of the original concepts because, if you go back to the studies of the Constitution which we were forced to go back to, you will find that the Founding Fathers never at any time intended that the States would have, unimpaired, these powers that had grown out of colonial life, that they thought at the end of the colonial period they would have.

This is not in disparagement of the States at all because we have seen how the Federal Government, like Topsy, just growed. And the grant-in-aid programs also grew, unplanned and unrelated to the development of greater efficiency in the States and the awareness of the problems they dealt with on the part of the States. We found that the grant-in-aid programs needed constant security, for fiscal reasons, to save money. It could be done.

We found, for example, little grant-in-aid programs. This is all familiar and pardon me for bringing it in, but some of the States received as low as $20,000 in some of these grants-in-aid which would not have made a bit of difference if you had the proper coordination in your State and Federal program.

I do not want to take too much of the committee's time, but to supply this additional point and it is not an apology for my reference to the delicate race question. But as my son stated to me, "Well, dad," he said, "for you to make a speech without referring to it would be like Admiral Byrd speaking without referring to the Antarctic," so I guess it is inevitable and you will pardon me, therefore, for doing it. The race issue proves, in the recent dramatic developments better than anything I can think of, the need for accepting these interrelationships and accepting the responsibility for the forbearance referred to by Madison.

A State will refer to an ill-timed invasion of States rights in the field of education and will at the same time deny a locality that flexibility or that freedom of discretion which it needs in dealing with its problems, and that has happened in many States.

I think that underlying our problem in Little Rock, if I were asked to give one single explanation of the underlying difficulty, I would say it has been an inability to evaluate that basic lack of resiliency, and the need for flexibility that would give to the city of Little Rock that degree of discretion that it needs in dealing with its problem, and our inability to race with time effectively enough to get the rural legislature aware of the necessity for recognizing these urban problems.

The urban phase of it is only one phase. You come back to the question of Jeffersonianism, which was not an exaltation of the State alone, but exaltation of local control within the proper limits of local sovereignty.

Senator MUSKIE. Thank you, Mr. Hays.

Mrs. Dwyer.

Representative DWYER. No questions.

Representative SMITH. No questions.

Senator MUSKIE. May I say again how much I appreciate your coming here and how much I have enjoyed this opportunity to renew my own personal association with you.

Mr. HAYS. Your kind remarks and graciousness are very much appreciated, and it has been a pleasure to be here with you.

Senator MUSKIE. Our next witness is Mr. Jennings, representing Mayor Ben West of Nashville, Tenn.—City Attorney Jennings.

STATEMENT OF ROBERT H. JENNINGS, CITY ATTORNEY, NASHVILLE, TENN., REPRESENTING MAYOR BEN WEST

Mr. JENNINGS. Mr. Chairman, my name is Robert Jennings and I am city attorney of Nashville. I am here at Mayor West's instructions because of his great interest in the establishment of this Commission.

First, I would like to say that I have a statement which the mayor has prepared and I would like to file it and if I may, I would like to make a few remarks.

(The statement referred to follows:)

STATEMENT OF HON. BEN WEST, MAYOR OF THE CITY OF NASHVILLE, TENN., ON BEHALF OF THE AMERICAN MUNICIPAL ASSOCIATION

Mr. Chairman, members of the committee, my name is Robert Jennings. I am the city attorney of Nashville, Tenn. I appear before you today as a representative of Mayor Ben West of Nashville, former president of the American Municipal Association, and with your permission I would like to read into the record Mayor West's statement:

My name is Ben West. I am the mayor of Nashville, Tenn.

I am testifying before you today in my capacity as mayor and also to lend support to the views expressed by Mayor Celebrezze of Cleveland, Ohio, who testified before you earlier this morning on behalf of the American Municipal Association.

As you know from Mayor Celebrezze's testimony, the American Municipal Association is firmly on record in favor of the establishment of a permanent commission on intergovernmental relations. I should like to have you know that I am fully in accord with the position of the AMA as expressed by Mayor Celebrezze.

The last time I appeared before the House Subcommittee on Intergovernmental Relations was in Chicago in October of 1957. The subject of the hearings was Federal-State-local relations. I recall that I specifically recommended to the subcommittee at that time that a permanent advisory commission on intergovernmental relations be created to make the establishment of better intergovernmental relations its exclusive concern and goal. I would like to have the committee know that I haven't changed my mind since then, and I am very pleased to see this legislation being proposed. I was also impressed by the fact that the recommendation to create such a commission was unanimously approved by the full membership of the House Committee on Government Operations.

At the time of the Chicago hearings I believe I expressed my views in some detail as to why I thought the establishment of a permanent commission on intergovernmental relations was both advisable and necessary. After having reread my statement, I find that my views have not changed appreciably and, in fact, I do not believe that were I to testify again today on the same subject that I would change a word.

However, since my appearance before the House subcommittee in Chicago, I have accumulated some additional and valuable experience in working to improve relationships between levels of government.

In 1956 the American Municipal Association and the American Association of State Highway Officials with the cooperation of the Bureau of Public Roads and the assistance of the Automotive Safety Foundation established a Joint Committee on Highways. I have had the honor of serving as the cochairman of the committee since its inception. Working with this committee has been for me a real practical exercise as to how to go about achieving improvement of relationships between the local, State, and Federal levels of government.

To be sure even after some 3 years of reasonably constant and dedicated effort, we still differ with our friends at the State and Federal levels about certain aspects of the highway program but we have made considerable progress, and we hope to make more in developing a more effective and efficient National Highway System.

As one example of the kind of success we have had, I would like to call to your attention the fact that we have just recently published some fairly definitive guidelines on the highway program to help both local and State officials develop balanced highway systems with due recognition for the unique transportation problems posed by cities and by increasing urbanization. The development of

these guidelines was the result of 3 years' hard labor brought to fruition just this last year at a conference held in Sagamore, N.Y. The summary of the proceedings of this conference constitute the guidelines I referred to and is being widely utilized by local and State officials alike. It has been officially recommended and endorsed by the Bureau of Public Roads. I have arranged to have each of you presented with a copy of the Sagamore conference proceedings, and I am sure you will find it a very fine example of how improved intergovernmental relations can really pay off.

The successes of our joint committee and the fine cooperation we get from the Bureau of Public Roads and other interested groups, however, does not in any sense mean that this kind of activity can substitute for the work we would expect to be accomplished by the permanent advisory commission we are discussing here today. As a matter of fact, I believe from my own experience it does just the opposite.

We have had a small taste of success and we are anxious for more. Also, despite all we have accomplished we are far from being satisfied that even in the matter of highways that we have achieved the level and kind of mutual understanding we need to eventually obtain.

We definitely do need an interested forum to observe what we have done and to give currency to our achievements and to promote similar activity in other areas. We are convinced from our own experience that good relationships between levels of Government can be established and can be maintained. We are convinced that the existence of such good relationships can add immeasurably to the efficiency and success of any program whose operation involves more than one level of Government. In short, we are convinced that this sort of accomplishment means better programs and better Government.

We think the creation of a permanent Commission on Intergovernmental Relations will prove helpful and effective in strengthening the ties between the three levels of Government and in the development of better and more effective methods of solving the broad problems that continued urban growth pose for municipalities, the States and the Federal Government.

Mr. JENNINGS. The things I am going to say, I do not want to be interpreted as against the things that Judge Briley said in wanting more representation on this Commission, but I think it would be well that I point out some of the controversies that exist between the city of Nashville and Davidson County which this committee might be interested in later on in getting the legislation passed.

For example, in the city of Nashville we have a separate school system. The school system is supported by city taxation, as distinct from county taxation, along with the help that it receives from the State.

We support entirely the airport, the auditorium, we support the sewer system with all the sewage disposal units that we have there.

The county has about three water districts. We have the biggest part of the supply of water for the community. All parks and recreations are supported entirely by city taxation.

As for fire, the county has no fire protection except for some independently owned fire company that would provide it by these small tank trucks.

The county of Davidson is divided into 16 civil districts of which Nashville constitutes the first civil district and when the county levies a tax, it levies it upon all districts alike.

The first civil district, the city of Nashville for example, pays over half of this entire county tax. They levy a roads tax which the city of Nashville pays.

Yet when the money is spent on roads none of it is spent in the first civil district which is paying over half the tax. It is all spent in the outlying areas.

All the homes for the aged that the county has are supported by city revenues.

All the homes for the juveniles are supported by city revenue.

I am calling this to your attention to show you that at the level of government between Davidson County and Nashville, Tenn., we do have an overlapping of services which we tried to settle 2 years ago by voting a metropolitan government which failed; it failed because of the county vote, the incorporated areas voting for such a type of government but the county voting against such a government.

If we had a commission or a commission could be created such as this committee is holding hearings on in order to have legislation, many, many problems where we are fussing, so to speak, at the local level, could be ironed out.

Another thing that comes to my mind as city attorney in this great Federal highway program we have going, our department has to take all the condemnation of this property.

We have an office set-up where Mr. Citizen comes and he wants to know for example, where this road is going, will it take half my property, will it take all my property?

Today we might be able to tell him but policy might change and Mr. Citizen is back a few months later wanting to know "Say, you told me it was going to do this and that."

Whereas, if we could have some advisory group all the way down the level we could get it to Mr. Citizen.

As I said, I did not have a prepared statement for myself, but when Judge Briley offered these remarks I thought that I should point these things out from the standpoint of the city, and I would be happy to try to answer any questions that the members of the committee might have.

Senator MUSKIE. By your comments on Judge Briley's statement, I take it that you would support the work of such a Commission.

Mr. JENNINGS. I certainly would. I think it is the finest thing that could happen.

Senator MUSKIE. Thank you very much.

Mrs. Dwyer?

Representative DWYER. Thank you, Mr. Chairman.

I wonder if you would be in a position to answer a question about the Advisory Commission getting information down to the citizens.

How would you envisage this could be done?

Mr. JENNINGS. Well, for example, on the highways, that situation comes to my mind. Certainly the members of this committee, or the Commission could have information from other cities and pass it along down the line.

By that I mean down to the State level and down to the city and county. Experiences from other places is what I am saying.

Representative DWYER. Do you believe there has been a lack of information as far as Federal grant-in-aid programs are concerned coming down to the local level and to John Q. Public?

Mr. JENNINGS. I certainly do and I think this Commission could certainly be one of the things that could furnish that.

Representative LANGEN. I am sorry to have come in late, Mr. Chairman, but another committee meeting kept me from being here this morning.

I am curious about how such a Commission might be able to handle the great volume of requests in the field such as you spoke of. For

instance, whether a highway is going through a town and how wide it is going to be and so on, I can envisage such a volume of requests in that field that it puzzles me as to how they might be able to serve it adequately.

It would seem that the department dealing with that would be in a more immediate position to serve that purpose than adding one further step for that information to go through before it gets back to John Q. Citizen.

I am not saying that as a criticism at all because I can at the same time see the potential, but I am wondering whether one of the assignments of this Commission is going to get to the point where it is dealing with matters that are as common as that, with so many communities throughout the Nation. The volume seems to be way out of reach.

Mr. JENNINGS. I did not mean to suggest they would get into how wide a highway might be, or where it might even be going.

My thought in that regard would be this much. As to the particular funds that might be available, if that information could be passed along and Mr. Citizen could know that the highway was going to be coming because he was first, second priority and so forth, the funds being the main angle about it, then he would have some explanation as to why it had stopped at a certain place, if there were no funds available. That was my thinking about it.

Representative DWYER. Possibly I misunderstood you. I am sorry. Thank you, Mr. Chairman.

Senator MUSKIE. Thank you very much, Mr. Jennings. We appreciate your taking the time to come and we thank Mayor West for submitting his statement.

Mr. JENNINGS. I appreciate this opportunity of being here, myself, and I would like to ask that the record be kept open in view of the fact that the mayor might like to submit something else, if that is possible.

Senator MUSKIE. We will be happy to receive anything.

I think I should announce at this time that Mayor Celebrezze, of Cleveland, has been unable to appear here this morning but his statement will be put in the record at this point.

(The statement referred to follows:)

STATEMENT OF HON. ANTHONY J. CELEBREZZE, MAYOR OF THE CITY OF CLEVELAND, OHIO, AND PRESIDENT, AMERICAN MUNICIPAL ASSOCIATION

My name is Anythony J. Celebrezze. I am the mayor of the city of Cleveland, Ohio, and president of the American Municipal Association.

I am appearing before you today both as mayor of Cleveland, and as the president of the American Municipal Association.

The American Municipal Association is, as you know, the national representative of approximately 13,000 municipal governments throughout the United States and Puerto Rico. It is organized on the basis of affiliation with State leagues of municipalities in 47 States, plus 225 direct member cities. Cities eligible for direct membership must have a population of 50,000 or more, be a State capital, or one of the State's 10 largest cities.

The association's position on any subject of interest to its membership is included in what is known as its national municipal policy, the formulation and execution of which is a democratic process. Each year, the membership of the association is polled for policy suggestions. New and previously approved statements are then carefully reviewed by officials, member cities, and 47 State leagues of municipalities, special committees, and finally by the association's

resolutions committee. Those which are approved by the resolutions committee are submitted for consideration by the policymaking body which consists of the voting delegates to the annual municipal congress.

Once adopted, and a two-thirds vote is required, the policy becomes the foundation around which municipal officials, acting through their State leagues of municipalities and the American Municipal Association, build their legislative programs in city councils and State legislatures and in the National Congress. Last December in Boston, the membership approved the following resolution relating to intergovernmental relations:

Section 15–1—"The American Municipal Association endorses the philosophy expressed in the 30th Report of the Committee on Government Operations in regard to Federal-State-local relations that:

" 'The subcommittee believes that the interest and initiative for increasing the responsibilities of the States and localities must come from those levels of government. Responsibility cannot be created by a transfer of programs and tax sources. It is imperative that the Federal Government do everything possible to promote a favorable climate for the proper functioning of the other levels of government. This includes making available to the States and localities those revenue sources that are not of primary importance to the Federal Government and which are well adapted for State and local use. Such action should be taken independently of Federal decision concerning particular grant programs.'

"We congratulate the members of the committee for the thoroughness of their research and the excellence of their report. Further, we urge the Congress and the administration be guided by the committee's recommendation as contained in this report. It is noted that many of these recommendations were earlier carried in the report of the Kestnbaum Commission, which have been endorsed by the American Municipal Association."

Section 15–2—"A permanent national commission on all phases of Federal-State-local relations should be created. The commission should be created pursuant to an act of Congress. The members should be true representatives of each type of government. The commission should have the type of membership which will give it the greatest possible national prestige. In a Federal Government the most difficult questions arise between the types of government. Some clarification of policy is necessary. It can be accomplished best by a National Commission on Federal, State, and Local Government Relations. Few activities are more urgent or more important as a means of proving that democratic Federal Government can work effectively and harmoniously."

As you have noted from the above, the American Municipal Association has been quite impressed with the work of the subcommittee and with the quality of its findings concerning problems of intergovernmental relations.

We are, of course, extremely pleased that the subcommittee and the full committee have seen fit to endorse legislation to create a permanent national commission on intergovernmental relations. Although the above section 15–2 is a part of the association's 1959 national municipal policy statement, the original resolution advocating the creation of a permanent national commission on intergovernmental relations was introduced and accepted by the membership in 1954, and has been reaffirmed every year since that date.

Although our national municipal policy statement does not spell out in specific detail the exact type of permanent commission we would like to see created, I believe that I can say with some certainty that the approach contained in Representative Fountain's bill is quite acceptable to us. We agree that the commission should be bipartisan, and we are satisfied with the manner in which the 24 members of the commission are to be selected and that equitable representation of all levels of government involved is assured.

We are also quite satisfied with the functions the commission is to assume under the language of the Fountain bill. Since the bill itself is pretty much the product of the very extensive and far-reaching hearings held by the subcommittee over the past 2 years, I do not propose to go into details as to why the proposed legislation is in order and long-awaited. All these things, the justifications and the detailed arguments, the cases in point have been put to the committee during the course of hearings already conducted.

I would be less than frank if I suggested to you that we think our problems as they relate to other levels of government will be over once this bill is enacted. We want this legislation enacted because we think that the current state of intergovernmental relations leaves considerable to be desired, that it needs to be

improved and that the commission idea is worth trying to fill this long existing vacuum.

Our great concern for the need to establish better relationships stems from the fact that we believe more effective, efficient and responsible government is possible in an atmosphere of mutual understanding between all levels involved and where resources are pooled in the solution of common problems.

I also feel compelled to point out that in my view the success of the commission, if this bill is enacted, will depend to no little extent on the quality and caliber of its members. They should be competent in government and dedicated to its continual improvement. They should be interested in the problems they are to treat and they should be willing to sacrifice time and considerable energy in the conduct of the commission's business. Finally, I would hope that each one could come to serve with an open mind, ready to come to grips with the real problem of achieving better and more effective government within the broad framework laid down by our Constitution. We believe the commission idea to be sound and the work it is to do extremely important. We stand ready to do our share to make its endeavors meaningful and worthwhile.

Senator MUSKIE. Now, it is our pleasure to present a member of the fair sex, the distinguished senator from Massachusetts, Senator Leslie B. Cutler.

Representative DWYER. May I welcome the distinguished lady from the State of Massachusetts.

Representative FOUNTAIN. I concur in what has been said. She gave very helpful and informative testimony before our subcommittee. I believe it was in Boston, was it not?

Senator CUTLER. That is right.

Representative FOUNTAIN. It is good to have you here.

STATEMENT OF HON. LESLIE B. CUTLER, A STATE SENATOR FROM MASSACHUSETTS

Senator CUTLER. Mr. Chairman, I have been tremendously interested in your report, that you were kind enough to send to me, Mr. Fountain.

I did testify before the committee when you were in Boston. I have read the legislation that you have sent me, H.R. 6904, H.R. 6905, and S. 2026.

I would like to record myself personally, as a former chairman of the public welfare committee for 8 years in the Massachusetts Senate, as being wholeheartedly in favor of the legislation presented to the Congress.

I bring a message from His Excellency Governor Furcolo, of Massachusetts. He regrets his inability to appear before the honorable committee, and sends his apologies, since business has kept him at home.

He authorized me to state that he approves of the legislation and will send a statement within a week or so, and I ask respectfully that it be made a part of the record of this hearing.

Senator MUSKIE. It will be made a part of the record.

Senator CUTLER. Thank you.

I am happy to present to you this morning a resolution from the Massachusetts Senate. The General Court of Massachusetts is still in session. When I received the legislation, it impressed me favorably and I went to both the minority floor leader of my party and the president of the senate, and they both were delighted to have me present

the resolutions, and these resolutions were adopted unanimously by the Massachusetts Senate on June 10.

(The resolution referred to follows:)

THE COMMONWEALTH OF MASSACHUSETTS

In the Year One Thousand Nine Hundred and Fifty-nine

RESOLUTIONS MEMORIALIZING CONGRESS ON THE ADOPTION OF LEGISLATION PROVIDING FOR THE ESTABLISHMENT OF A PERMANENT ADVISORY COMMITTEE ON INTERGOVERNMENTAL RELATIONS

Whereas there is pending before the Congress of the United States H.R. 6904, introduced by Representative L. H. Fountain, of North Carolina; H.R. 6905, introduced by Representative Florence P. Dwyer, of New Jersey; and S. 2026, introduced by Senator Edmund S. Muskie, each of which seeks to establish an Advisory Commission on Intergovernmental Relations to bring together representatives of Federal, State and local governments for the consideration of common problems; to provide a forum for discussing the administration and coordination of Federal grants and other programs requiring intergovernmental cooperation; and to recommend the proper allocation of governmental functions and responsibilities among the several levels of government: Therefore be it

Resolved, That the Massachusetts Senate respectfully urges the Congress of the United States to enact legislation to establish said Advisory Committee on Intergovernmental Relations, as contained generally in the 30th Report of the Committee on Government Operations, in order to assure the fullest cooperation and coordination between Federal, State and local governments, and to promote greater understanding in intergovernmental problems and in the financial problems involved therein; and be it further

Resolved, Than an engrossed copy of these resolutions be transmitted to the Subcommittee on Intergovernmental Relations. and that copies thereof be sent by the Secretary of the Commonwealth to the presiding officer of each branch of the Congress of the United States and to each Member thereof from this Commonwealth.

Senate, adopted, June 10, 1959.

IRVING N. HAYDEN, *Clerk.*

A true copy.
Attest:

JOSEPH D. WARD, *Secretary of the Commonwealth.*

It is signed and attested to as a true copy by Joseph D. Ward, Secretary of the Commonwealth, Mr. Chairman. And Mr. Fountain, you may remember, he represented his Excellency the Governor at the same hearing I spoke at in Boston.

I saw Mr. Ward, before leaving when I picked up this engrossed copy at his office, and he wanted me to assure you that he was still in favor of what you were doing and especially of the legislation which I showed him.

Senator MUSKIE. We are delighted to have this and we are happy to know one legislative body has approved of it.

Representative FOUNTAIN. It would be nice if other State legislatures which are in session would express themselves on this subject. It would make our job easier.

Representative SMITH. I suggest some people are now more relaxed since some of them adjourned and are glad they are not in session.

Senator CUTLER. Mr. Chairman, besides the resolutions I was able to see yesterday Representative Sumner Kaplan who is the house chairman now and was the house chairman for several years of the Public Welfare Committee and he wanted to be recorded in favor of the legislation.

Representative Irene Thresher of the house also wished to be recorded in favor as did Representative Mary Newman.

Mr. Chairman, I think if I could have talked to the speaker of the house, I probably would have brought you a resolution from the house, but they are very busy over there so I did not ask them to do it and I thought that the senate action would probably be sufficient. I think the house would have gone along with it.

Mr. Chairman, I only have a very few comments on the bills, copies of which I have with me. I feel you are absolutely correct when you state in your bill:

> It is essential that an appropriate agency be established to give continuing attention to intergovernmental problems. (S. 2026 sec. 2, lines 4, 5, 6.)

New problems are arising all the time, new ideas are presented, in addition to those problems now recognized in the report.

It seems to me, Mr. Chairman, that government today is a partnership affair, we no longer can seal governments off in airtight compartments. What affects the people and especially our children is the proper concern of all levels of government: National, State, county, and local.

There should not be duplication but there should be coordination. There should not be one standard at the national level, another at the State and still another at the county or local level.

Such coordination would result in economies not only in the field of public assistance and education and health, but in many other activities of the government as well.

Taxation, Mr. Chairman, is on everybody's mind these days and I feel sure that such an Advisory Commission could be extremely helpful.

The Senate Committee on Small Business, of which Senator Saltonstall of Massachusetts is a member, held a hearing in Boston recently on the problems of State taxation of interstate commerce. I understand that committee is considering a recommendation for an intergovernmental commission such as your honorable committee recommends in this legislation. So they feel that that is another very necessary field to be discussed and studied on a continuing basis.

However, not only in duplication and coordination is such a permanent Commission needed but also in order to have better planning of bills passed by the Congress, with bills passed by the State legislature, where some might be in conflict.

The uniform laws are greatly needed but it often takes years to complete them.

And in a Washington paper this morning I read about a problem that interests me very much, that of stream pollution, and it empasizes the fact that it might take as much as 50 years unless pressure is brought by the Federal Government to get the proper legislation through the States.

I know it has been not 50 years but quite a long time since we have been trying to do it in Massachusetts.

My special interests, Mr. Chairman, include public health, mental health, juvenile delinquency, correctional institutions, public assistance of all categories, but especially of the disabled and handicapped and rehabilitation of these people.

In reading your report I found on page 8 a list of the Federal grants-in-aid, and 22 of them are in this particular field of special interest to me.

I am also interested in the other 23 listed. A great many of them.

However I did note there is only one item, aid to soldiers' homes, that has to do with the veterans services. Of course I am well aware of the fact that the Veterans' Administration deals directly with the veteran himself, but, however, we do have certainly at the State and local level many veterans' services, and it does seem to me that here is another field in which there well could be more coordination and knowledge of what one group is doing and what the other is doing.

The total Federal grant figures that you gave in your report staggered me, Mr. Chairman. I am not used to dealing in billions of dollars. We do get up to millions in Massachusetts, but when you reported that $5,200,000,000 in fiscal 1958 was appropriated by the Federal Government, it was amazing to me, and that Massachusetts receives in 1960—hopefully, the Governor's budget here reports—a figure of some $78,200,000. And that is exclusive of the $3 million we certainly expect—that is in Federal aid—$3 million we certainly expect for construction of airports in Massachusetts.

There are many other categories: Flood control, highways, hospital construction, slum clearance and urban renewal, and all these Federal grants are vitally important in any State budget. The Massachusetts General Fund is about $336 million and its tax receipts are estimated at $293 million. So if we had to raise the rest of the $78 million we now get from the Federal grants where would we find the money? We are having some difficulty with finding money to balance the budget the way it is now.

All those problems would come before this Advisory Commission and I think it certainly would be a tremendous step forward if we could have this legislation as soon as possible.

I fear that there is perhaps no hope of getting it now, we may have to wait another whole year, but that is the way things move, rather slowly perhaps, but certainly I wish to congratulate the committee that brought in this report and I do hope that the Congress will act favorably upon it.

Mr. Chairman, while I sat in this beautiful chamber and waited and listened with great interest to the other people who spoke, I noticed the beautiful portrait in back of you. Below that portrait is a clock and the clock is stopped. It is the old type of clock, Mr. Chairman. Sitting where you are, you see the new clock which was never dreamed or, of thought of, when President Lincoln's beautiful portrait there, with his Cabinet, was placed in this same historic chamber.

But that clock operated by electricity fits very well into this historic chamber and is a symbol of progress, and it seems to me that government with this new idea of coordinating all the governments together would certainly make for progress also.

Thank you, Mr. Chairman.

Senator MUSKIE. Thank you very much, Senator Cutler, for your excellent statement.

To further amaze you or startle you I might point out that in fiscal 1959 the total of these grants-in-aid is $5,900,000,000 and in fiscal 1960 it undoubtedly will go above the $6 billion figure.

So it is growing.

I would like to ask you just one question, Senator Cutler: Do you know whether or not the State of Massachusetts participates in all of the grant-in-aid programs which were listed in the subcommittee's report?

Senator CUTLER. I think, Mr. Chairman, we participate in most of them. I cannot answer positively. I know we participate in the 22 that I am interested in because I follow them very closely. I am very upset if the Congress cuts those appropriations, a part of which will come to Massachusetts.

I cannot answer, however, for all of the other 23, but I would be very pleased to find out for you and send you word.

Senator MUSKIE. It might be of interest.

(The information requested follows:)

After checking with the various State departments in Massachusetts I find that our State participates in all of the Federal grants-in-aid as listed on page 8 of your committee report, with the sole exception of major disaster relief. I also find that the total amount received by Massachusetts is in excess of the $78 million I mentioned when I appeared before your committee. The figure I quoted of $78,200,000 was taken from page 109 of the Governor's budget where the receipts from Federal grants are listed. However, omitted from that list were the various highway construction grants which total an additional $50 million and airport construction amounting to $1,610,359.

Representative FOUNTAIN. I only want to thank Senator Cutler for returning before us and giving us the benefit of her thinking. Again she has been very helpful.

Senator CUTLER. Thank you very much.

Representative DWYER. I want to pay tribute again to a very outstanding woman for a very outstanding statement this morning.

I have this one question: As a State Senator from Massachusetts, how do you think this Advisory Commission could be of help to you in your work?

Senator CUTLER. Mrs. Dwyer and Mr. Chairman, I have many many times gone from our Public Welfare Committee room in bewilderment as to where I was going to turn to find out the answers to the problems the people wanted answered by legislation.

We have a fine representative in Massachusetts as regional director of the Federal Security Administration in Mr. Lawrence Bresnahan, but he can never speak with any real authority. He could just give me the answers to the things I did not know.

It seems to me that these problems, particularly on the grants-in-aid to the disabled and the rehabilitation, even if we did not have a member from our own State legislature, we could go to that person on the new Advisory Commission and to the staff that will be set up and present our problems and then perhaps that Commission could come up with the answers. I think it would be tremendously helpful.

Representative DWYER. Do you feel that your colleagues in the State Senate would take advantage of this type of Commission, seeking information?

Senator CUTLER. I am sure they would, because by passing these resolutions the Massachusetts Senate has shown its interest.

Representative LANGEN. May I add my compliments to the Senator for the very worthy and significant statement she has made this morning?

Senator CUTLER. Thank you very much. I am very happy to have been here.

Representative FOUNTAIN. We did not realize yesterday when Governor Loveless of Iowa testified that the minority leader of the Iowa House of Representatives, Mr. Scott Swisher, was in the room with him. If we had known about it, we certainly would have invited him to testify. I'm sorry we did not know he was here.

Senator MUSKIE. I regret that Mr. Saul I. Stern, who was here earlier this morning, had to leave. He will return Friday morning to testify.

Senator Hartke of Indiana has indicated he will be here at 1 o'clock to testify.

We might at this point while we are waiting for the Senator refer again to the fact that these hearings will be resumed on Friday morning at 10 o'clock and that we will have as witnesses Senator Eugene McCarthy, Mr. John E. Bebout of the National Municipal League, Congressman Harold C. Ostertag, Congressman Emilio Daddario, and Mayor Gordon S. Clinton of Seattle, Wash., in addition to Mr. Saul I. Stern.

It is a pleasure to present to the committee my esteemed fellow freshman, Senator Vance Hartke of Indiana.

STATEMENT OF HON. VANCE HARTKE, A U.S. SENATOR FROM THE STATE OF INDIANA

Senator HARTKE. I would like to say first to my distinguished colleague from the State of Maine, he was the inspiration last fall which led me to triple my efforts during the fall campaign and since I have been here I have continued to take his good advice and that is one of the reasons why I wanted to appear here in person, today.

Senator MUSKIE. We must make the point that this is an independent statement, Senator.

Senator HARTKE. I think it would be perhaps better if I resorted to a written statement.

I am happy to have this opportunity of expressing my full endorsement of S. 2060, introduced by Mr. Muskie, and others, to establish an Advisory Commission on Intergovernmental Relations.

My appreciation of the importance of this measure, and of the benefits which may reasonably be expected to flow from its enactment, has been strengthened by my recollection of various experiences that I had while serving as mayor of my home city in Indiana.

Although the term "intergovernmental relations" is of relatively recent origin, the interlevel and interjurisdictional relationships of governments for which it stands are as old as the Constitution and the establishment of the present system of government. These relationships have always been with us though we have been much more aware of them at some times than at others. Occasionally, they have been the subject of heated controversy and debate.

The significant thing to me is that, until very recently, we never gave any serious attention to problems in this field, or tried to do anything about them. New programs and policies were adopted, sometimes at the Federal level, sometimes by the States, without any consideration being given to their impact upon other levels and units of

Government. However important these effects might be in any given instance, they were treated as purely incidental, almost accidental—if, indeed, they were recognized and considered at all.

In some cases, the effects were good, in others not so good, but there was no one anywhere in the whole governmental structure whose business it was to study them, to coordinate programs, to evolve means of avoiding conflicts and misunderstandings as between the Federal Government and the States.

So much was this true that, between 1787 and 1953, there was no duly constituted official body specifically charged with examining such questions and making recommendations with regard to them. In the latter year, such a body, a National Study Commission on Intergovernmental Relations, was created; in 1955, this Commission reported. Among its recommendations was one for the establishment, on a permanent basis, of a National Advisory Commission on Intergovernmental Relations.

The House Subcommittee on Intergovernmental Relations held extensive hearings and did a good deal of staff work on this subject. Their bill, H.R. 6904, and this bill, S. 2060, represent an effort to implement this recommendation of the Commission on Intergovernmental Relations, and put it into effect. Of this purpose, I most heartily approve, and I believe that the enactment of this measure would make an important contribution in the elimination of frictions and controversy, and toward a more systematic and orderly development of intergovernmental relations in this country in the future.

I might say in addition to this statement that during the time that this has occurred, these various problems, I have seen the frustration that has occurred with people on a local level attempting to find solutions. They have gone to various conventions and come back with piecemeal types of information, trying to put that together with what has gone on before.

Most governmental officials I believe are sincere in their efforts to do what they can for their communities. Their real problem frequently is not the sincerity of their purpose but the availability of information to accomplish what they intend to do.

I want to thank you for the time you have given me.

Senator MUSKIE. I would like to get some observations from you, relative to the extent of home rule in Indiana, and particularly your own experience with that.

Senator HARTKE. I have frequently stated in view of the controversy, or lack of enthusiasm for home rule here in Washington, that this is not a peculiar thing in the Capital City. That this home rule situation exists in practically every local unit of government throughout the United States. In fact, it is more of a problem than is frequently recognized. Indiana has been struggling with this problem and has also had the difficulty of coming to any uniformity of decision.

There have been two approaches basically. One of them was the so-called legislative approach to home rule, and the other is the judicial. The legislative approach is the one which would delegate to the local authorities all powers which are not specifically reserved to the central power, or the State. The judicial approach is giving the local authority to the local governments and retaining to the States

those things which were of a State nature which ultimately made that decision a judicial question and each question would have to be determined on the basis of its individual factual situation.

Now in Indiana, all of the local authorities are creations of the State and are merely an adjunct to the State authority. That means that every 2 years the local authority, if it is in any way lacking in authority to complete its job, has to go to the legislature and then pass what we call really special legislation, if it would not apply generally all over the State, to solve their particular problem. And this delay frequently was of sufficient nature to prevent any worthwhile project being carried out and sometimes by the time the legislature met, considered the legislation and passed it, the necessity for that legislation may have already passed or the desirability passed.

Frankly I am in favor of the extension of giving authority to government to deal with its problems to the extent that it does not cause any real difficulty or harm to any other large segment of our community.

The same thing with the States. I feel the States should be free to have as much authority as they can have and solve their own problems without interference from any other source.

Senator MUSKIE. How much leeway has State government in Indiana given to local government in the tax field?

Senator HARTKE. In the tax field they have maintained almost complete control of the local authorities, all the way through, which frankly I think is bad again.

Sometimes we brag about the fact that we are a debt-free State. This has also its difficulties as well as its assets. The local communities are based on an assessment value of approximately one-third of fair market value with a 2 percent assessment for capital improvements so that is 2 percent of one-third and so you can see this leaves very little for them in the line of property assessment for actual municipal affairs.

Now in order to obviate this, the cities have been creating special municipal authorities. For example, they will create a metropolitan grouping of some sort—for example, in highway construction or in flood control, airport construction, sewer programs, water districts, and things of that sort, which is really a figment of imagination, or at least a stretch of the legalistic interpretation of the Constitution.

Senator MUSKIE. We have a similar development in Maine. It might be of interest to you to know that the district idea which was first developed in connection with water supply originated in the brain of an old Maine lawyer who is responsible for my starting practice in the city of Waterville, Maine. A gentleman by the name of Harvey Eaton, who is now dead. It is really a fragmentation in some respects, some very real respects, of local government.

Senator HARTKE. The difficulty I find with that is that the intention of the constitutional limitations upon the bonding capacity of a municipality were intended for the protection of the citizenry. Then you are going back and recognizing that you have a definite failure to take care of the needs of a community. And whether we like it or not in most municipal affairs, particularly in cities, two-thirds of our people now are in metropolitan areas and no longer can they be content even with the city boundaries. They have to be provided with

these services or otherwise you have a gradual deterioration of municipal service and eventually a deterioration of the entire governmental unit. And then they cry, the local people will cry because their facilities have not been kept up to date and there is no way of keeping them up to date if you do not have sufficient funds to do so.

Senator MUSKIE. The district idea is really a device to evade constitutional debt limitations?

Senator HARTKE. Yes. Frankly, I do not oppose it. In fact, I urged even while I was here in this last legislative assembly in Indiana to create two additional of these departmentalized subterfuges in order to do what was necessary for the city of Evansville in the field of airport construction and in the field of construction of a levy.

Senator MUSKIE. Mr. Fountain——

Representative FOUNTAIN. I think all of us share, certainly in degrees, your concern over centralization of authority in the Federal Government, especially on questions of taxation and spending. Yet I was very much interested in testimony which we received from witnesses in your State. One or more witnesses on the executive level were very strenuously opposed to centralization of this authority in Washington, while representatives of your local governmental units were complaining very bitterly about centralization of authority in the State government.

Senator HARTKE. That is a common thing.

I will say that I do not share the view of those of the top executive in our own State and I do not want you to think, Mr. Chairman, that they represent the thinking of the vast majority of our people, and without in any way reflecting upon the integrity of those who testify.

But, frankly, I do not believe we can live alone any more and I think that we have to recognize that there are certain things which are probably better solved on a local level but there are other matters which are better solved with more centralization of information and authority. And I do not think that you can just say that it is either black or that it is white. There is an awful lot of gray in between.

I do see a lot of merit to giving an opportunity to local governments to solve their own problems first. Give them that opportunity. And then if they cannot, or if they will not, in my own opinion, if it is still to the best interests of the overall community, then it is in my opinion the duty of the Federal Government to do so. I feel this in the field of education.

I know that this is a field where it frequently comes up but as far as the education of the child is concerned you cannot put it off until 10 years from now. And I have five of my own and I know how true that is.

The local government cannot or will not provide the educational facilities and that is no reason the child should be denied having that educational facility.

The same is true of water and sewerage. They talked about the difficulty and the predominance of polio. We had a very serious outbreak of polio in Evansville prior to the immunization period and the point was that we had large sections of our city which had not had proper sewerage, septic tanks, and even in my own back yard in Evansville where I live there was no sewerage, and as a result of that we had raw sewage coming up in the back yard. I knew there had to be

something dangerous about it—at least I thought there was. If it was not dangerous, it sure did smell bad. And there again this problem of adequate finances to build sewers, I mean it just has to come from someplace. If you don't have the authority to do it you better find some way to get the authority.

I will be glad to answer any other questions.

Representative Smith. I vaguely recall that the Indiana Legislature has refused to cooperate with some of these principal grant-in-aid programs. Is that correct or not?

Senator Hartke. That was true until the last legislature. They did not this last one. I might say that we had a Democratic-controlled house this year for the first time for many years and also just four shy of a Democratic-controlled senate, which left a great difference.

I will say this to you: As far as I am concerned we have participated in some programs and sometimes we have had people talk the other way and then come back and beg for assistance from the Federal Government.

I want you to know that we are—as far as I am concerned, I am here to participate in all those benefits that the Federal Government can give and I hope you will not hold that against me, what somebody else said.

Representative Smith. What were some of these programs?

Senator Hartke. Well, even yet today, aid to handicapped children and the rehabilitation programs and the welfare programs for our people back home. We have never hesitated to take our highway money.

Representative Smith. Do you mean the State of Indiana did not cooperate in the ADC programs?

Senator Hartke. Part of them, but not to the full extent.

Representative Smith. Did the State fail to help the local government take care of that program?

Senator Hartke. Oh no; they let the township trustee take care of those problems and he is the administrator of the court. That may be all right except again you have this problem of trying to solve a problem which is not particularly local in scope, in which it requires more ability than the local people could give. And it is not any reflection on the local people, it is just frankly a truth or recognition that there are some things which defy just individual groups to solve.

For example, I do not think we would have had some of the medical discoveries we had if we counted on only our local doctors to have provided the relief.

Representative Smith. But of course in this field of ADC you found that the mother who had a fatherless family who lived in the country, she moved to the city and it was there that she needed the help, and she could not unless you had an ADC program get any help from the county and the Nation as a whole?

Senator Hartke. That is right.

Representative Smith. That is all.

Senator Muskie. Thank you very much.

Senator Hartke. I thank you for giving me a chance to appear and for holding up and waiting for me.

Senator Muskie. At this point in the record, at the request of Senator Williams, we will place the statement by Senator Williams on this subject.

(The statement of Senator Harrison A. Williams, Jr., is as follows:)

STATEMENT OF HON. HARRISON A. WILLIAMS, JR., A U.S. SENATOR FROM THE STATE OF NEW JERSEY

Mr. Chairman, members of the House Intergovernmental Relations Subcommittee and the Senate Committee on Government Operations, I appreciate this opportunity to give my views on S. 2026. I am one of the cosponsors of this bill, which was introduced by Senator Muskie of Maine on May 26. The bill is identical with H.R. 6094 and H.R. 6905.

My statement shall be brief. I believe wholeheartedly that the bills will accomplish at least part of a difficult task. A permanent Advisory Commission on Intergovernmental Relations would, I believe, help us to understand what is happening to our levels of government from the small towns up to our Congress, where legislators are called upon so often to discuss problems calling for billions of dollars in expenditures affecting our States, counties, and municipalities.

I fully agree with the statements made by the 30th report of the Committee on Government Operations in August 1958. A few paragraphs from page 39 sum up the need for permanent coordinating machinery:

"The need for continuing attention to the problems of intergovernmental relationships has been widely recognized. The Commission on Intergovernmental Relations recommended, in 1955, the appointment of a special assistant in the Executive Office of the President to serve with a small staff as the President's chief aid and adviser on State and local relationships. However, six members of the Commission expressed doubt that this would answer the need for an effective coordinating center and suggested, instead, the establishment of a more formal permanent agency—a small board, council, or commission—that would carry on continuing investigations on its own initiative. The Commission also envisaged the functioning of an advisory board to aid the special assistant.

"The first Hoover Commission proposed the establishment of a continuing agency on Federal-State relations with primary responsibility for study, information, and guidance in this field. The Commission recommended that 'it should be an agency which, on a continuing basis, would appraise our public needs, our resources, and ways and means for adjusting the one to the other in the interest of the American people.'

"In the course of its hearings, the subcommittee has received much testimony pointing to a need for permanent organizational arrangements to help improve relationships between the levels of government. While a number of differing mechanisms were suggested, there was substantial agreement on the need for continuing official attention to the functioning of our Federal system.

"The subcommittee believes there is merit in this idea. Occasional studies and ad hoc committees, however useful, are not an effective substitute for the continuous review of intergovernmental programs and problems from the standpoint of the Federal system as a whole."

To these arguments I would like to add a few additional comments.

(1) We are apparently approaching a time of great experimentation with existing forms of government.

In Connecticut, the county has been abolished.

In New Jersey, this week, the Metropolitan Regional Council met to decide whether it should seek formal status. It would become more than a group of elected officials meeting frequently to discuss mutual problems in a 22-county area in and around Manhattan.

In other areas, particularly in the counties or urban areas around existing cities, we have seen new forms of government spring into existence. In many sections, citizen groups or elected officials are conducting studies which may result in a changed form of government. There is talk, too, of a new level of government somewhere between the county and State level.

All of these efforts are, of course, related to the rapid growth of suburbs since World War II and the frequent inability of the suburban municipalities to provide all services demanded by the new residents. In addition, municipal and other public officials are seeking solutions to problems which sometimes cross State borders, such as: air and water pollution control, traffic difficulties, transit systems, etc.

In other words, as we experiment or discuss the need for new adjustments among levels of government, it becomes increasingly important that we have a clear understanding of what is happening in our Federal-State local relations.

I believe that the proposed Commission will help us achieve this understanding.

(2) We have heard many criticisms in recent months of the Federal grant-in-aid system and other Federal programs which have a direct effect on State and local programs.

In New Jersey, for instance, Governor Meyner and others have raised questions about the unemployment compensation program. They have been particularly concerned about the role to be played by the Federal authorities and the role to be played by the States.

Here is another clear argument for a permanent Advisory Commission.

(3) We have often heard groups using statistics about Federal aid programs to bolster arguments for or against Federal aid. Often, such statements are misleading or only partially true. The Advisory Commission would be an excellent source of trustworthy facts about the Federal aid statistics.

(4) I have only one reservation about the proposed Commission. Senator Clark of Pennsylvania has introduced a bill which would create a Commission on Metropolitan Problems. This commission would hold hearings and generally concern itself with problems affecting urban areas. One of its key purposes would be to study possible duplication or negation of effort by Federal aid programs.

My point in mentioning this is not to suggest that the two Commissions cannot have peaceful coexistence. I believe that the two Commissions can give individual attention to related parts of a general program.

In fact, I would like to emphasize that the creation of one commission should not rule out the creation of the other. Both are, in my opinion, essential.

Again, my thanks to the committee for permitting me to submit this statement.

Senator MUSKIE. If there are no more witnesses, the committee will recess until Friday morning at 10 o'clock.

(Whereupon, at 1:15 p.m., the committee was adjourned, to reconvene at 10 a.m., Friday, June 19, 1959.)

TO ESTABLISH AN ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS
(H.R. 6904, H.R. 6905, S. 2026)

FRIDAY, JUNE 19, 1959

CONGRESS OF THE UNITED STATES,
INTERGOVERNMENTAL RELATIONS SUBCOMMITTEE,
OF THE HOUSE COMMITTEE ON GOVERNMENT OPERATIONS,
AND SENATE COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The House Subcommittee and Senate Committee met, pursuant to recess, at 10 a.m. in the Old Supreme Court Chamber, U.S. Capitol, Representative L. H. Fountain presiding.

Present: Representatives Fountain, Dwyer, and Senator Muskie.

Also Present: Dr. Delphis C. Goldberg, professional staff member and James R. Naughton, counsel, Intergovernmental Relations Subcommittee; Dr. Eli E. Nobleman, professional staff member and Walter L. Reynolds, chief clerk and staff director, Senate Committee on Government Operations.

Representative FOUNTAIN. Let the committee come to order.

We will resume the taking of testimony in connection with H.R. 6904, H.R. 6905, and S. 2026, identical bills to establish an Advisory Commission on Intergovernmental Relations. We have with us this morning Mr. John Bebout, who is assistant director of the National Municipal League. We are happy to have you with us, Mr. Bebout.

I might say Mr. Bebout appeared before the House Intergovernmental Relations Subcommittee in February 1958, when we were dealing generally with the subject of Federal-State-local relations. You may proceed, Mr. Bebout.

Representative DWYER. Mr. Chairman, before he proceeds, may I say for the record that Mr. Bebout is from my home State of New Jersey and I have known him for doing outstanding work for the State of New Jersey in revision of the constitution and for State government, and it is a real pleasure to have him before this committee this morning.

STATEMENT OF JOHN BEBOUT, ASSISTANT DIRECTOR, NATIONAL MUNICIPAL LEAGUE

Mr. BEBOUT. Thank you. As we were reminiscing here a few moments ago we were recalling a set of circumstances which I suppose may partly explain the fact that we are both here this morning. I refer to the fact that we worked together, along with many other

citizens of our State, in trying to strengthen our own State government by modernizing a very old and unsatisfactory State constitution, something which we finally suceeded in doing, rather more successfully than almost any other State in the Union, I think, in recent years.

Senator MUSKIE. Would you not like to be seated, M. Bebout?

Mr. BEBOUT. All right; thank you.

As I explained when I was here before, the National Municipal League, which is a nonpartisan 65-year-old citizens' organization, cannot, as an organization, take a stand for or against specific legislation. The league exists to help citizens and officials improve the organization and processes of government through research, education, and consultation. Its primary areas of concentration are State and local government and grassroots citizen organization and participation.

However, its concern with these matters is that these aspects of our system, that is, the State and local and civic aspects of our system, should function in such a manner as to contribute to a healthy and vigorous Nation in which individual freedom and democracy may flourish and make maximum contribution to the general welfare. Consequently the league has long been interested in any serious efforts to improve the overall operation of our Federal system and to promote a sound allocation of responsibilities and effective working relationships among the National, State, and local governments.

Therefore, we are pleased to have this opportunity to comment on the proposal which you now have under consideration for a permanent Advisory Commission on Intergovernmental Relations. I have read this part because I wanted to be very clear on the record as to what the position of the league is with respect to pending legislation.

If I express what may seem like more definition opinions on this bill, they can be attributed to me personally, perhaps, rather than to the league.

As some of you will recall, in the prepared statement that I presented to this committee when I was here before, this observation was made:

> The league is in general accord with the proposals of the Commission on Intergovernmental Relations for the establishment of a permanent center for overall attention to the problems of interlevel relationships as a staff agency in the executive branch of the Government, for associating with that center an advisory board on intergovernmental relations representative of the various levels of government and for the development of other permanent institutional arrangements for consideration of these relationships in the Congress, at the departmental level, and in State and local governments.

This statement of the league's general interest in this sort of enterprise would clearly put the league, as a matter of principle, on record as being generally sympathetic, at least, with the objectives of this bill.

Now, I am going to try to be quite brief, with the idea that you may want to ask me some questions.

I was interested in looking over this 30th report of your committee which I think is an excellent report. In the short chronology you have shown some of the principal dates at which progress has been made in paying attention to the intergovernmental aspects of our system. I am sure it struck you as it did me that this chronology

starts quite late, in fact 1908, with the first call for the Governors Conference, and that the next date was 1933, which indicates that anything like concentrated systematic and continuous attention to the problem of rationalizing and improving the intergovernmental aspects of our system is something of quite recent development.

Consequently, if we do not either by this bill or some other action in the next year or so finally resolve these problems to everybody's satisfaction, we should recognize that we are in fact just beginning to give that kind of attention to what is perhaps the most characteristic feature of our system, the Federal feature, in terms of setting up institutional arrangements for adjusting it and its operation to changing conditions.

This sort of thing is a very recent development, but I think we have made a good deal of progress in the last few years. A few years ago almost the only kind of talk you heard about this subject of Federal-State-local relations might be put under the heading of "viewing with alarm" the tendency towards centralization in Washington. Then what were we going to do about it? The first solution was what I call the solution of incantation. We make pious statements to the effect that we are going to stop this centralization and bring government back to the people at home. But incantation does not solve these problems, either. The first systematic study of the system as a whole in its intergovernmental aspects was the study by the Kestnbaum Commission. Happily your committee has, I think, been doing a very important job of continuing that study.

Now, we are just beginning to reach the stage of what I call constructive and positive action.

This bill, it seems to me, represents very real progress both in thought and in the direction of constructive action. When I was here before I commented on the Federal-State Action Committee which had not long before been established. I said I thought that was in the path of progress but it seemed to me to be defective, particularly in that it did not provide for recognition of the local elements in our system. In this day and age you simply cannot treat them as mere wards of the States in any continuing institutional attempt to improve intergovernmental cooperation and relations.

This bill, then, corrects that deficiency.

Also, it seemed to me that the concept of that committee was defective in that it put too much emphasis on the idea that we could just turn programs back to the States, maybe by matching the programs turned back with tax sources, and thus reduce centralization. I am pleased that this bill takes a more comprehensive and positive approach to the whole subject of intergovernmental relations in recognizing that it must be a matter of continuous adjustment and that there is a good deal more to it than turning things back to the States.

Finally, the fact that it is established with a view to being permanent, recognizing that this is not a one-shot proposition and that you cannot solve this problem or deal with it by ad hoc devices.

Now, what are the conditions for long-range successes? Well, obviously there has got to be a conviction on the part of all concerned that this is important, an earnestness about it and a willingness on the part of National, State, and local governments, both on the policy-making side and on the departmental side to cooperate and to work out these problems mutually.

It must be a continuous effort, as I have suggested before. And it must also be based upon a continuous flow of the necessary information, some of which must be supplied by intensive research for proper underpinning of the development of programs and policy.

Finally, I think we have got to recognize that this is still in the experimental stage and that any particular arrangement that may be devised now, more or less in a vacuum in the sense that we have had no long-range experience with it, must be treated as experimental and we must be ready to adjust it, the details of it, as experience and changing conditions dictate. I do have some questions, frankly, about the particular method of setting up this Commission, its size, and the method of appointment, which I suspect may not in the long run prove as successful as you might hope. I would trust that if these arrangements do not prove altogether satisfactory, we would be ready to make the necessary adjustments, without assuming that the whole objective was not worthwhile.

If anybody has any questions on this or any other aspect of what I have said, I would be very glad to try to answer them.

Representative FOUNTAIN. Thank you very much, Mr. Bebout. I was very much impressed with your testimony before our subcommittee back in 1958 and especially with the fact that yours is an objective service organization designed to encourage improvements in government organization and processes. We already have many organizations which take positive positions on public issues, and I think it is good also to have organizations such as yours which make available to citizen groups and to State and local governments the benefit of your research and studies.

I would like to add that while those of us who have introduced the bill have given it a great deal of thought, its provisions are in no way fixed. It was the best bill which we could come forward with. However, any suggestions which we may get from you and others who testify will certainly be helpful to us in making the final decision as to the content of the legislation.

I would like to ask you this question: Do you think the size of the Commission contemplated by this legislation is too large or too small?

Mr. BEBOUT. I think it is a little large. I think I would have more confidence that it would be a working Commission—I think it is important that it be a working Commission and all the members feel a commitment which makes them feel they ought to attend meetings and actually do some work—if it were somewhat smaller, perhaps around 15. I realize the problem of getting a representative body, representing all levels of government, both parties, and the various parts of this vast country in a small number. This may be an insoluble problem, but I would be a little more hopeful if it could be a little smaller.

Representative FOUNTAIN. I think all of us would prefer a smaller Commission, but we were confronted with the practical problem of determining how best to get appropriate and fair representation on the part of all levels of government. You will note that the bill has 12 representatives from the Federal level and 12 from the State and local levels. Right now the counties, who have one representative, are very concerned that they do not have more proposed in this legislation.

What is your opinion, generally, about the composition of the Commission as proposed in these bills?

Mr. Bebout. I think it is based on the correct principles, that is of representation, as I said before, of all three major levels of government, including counties. I think counties should be represented, as such, and both the executive and legislative branches.

I am a little doubtful, frankly, about asking these organizations—the Council of State Governments, American Municipal Association, Conference of Mayors—to make official nominations. I cannot speak for them and I have not talked with any of their representatives.

I have a feeling this may prove to be a somewhat embarrassing responsibility sometimes. I think, if I were in their place, I would prefer to have it written in the bill that the appointing authorities should consult with these organizations and get suggestions, but not let the organizations themselves have this official duty imposed upon them by statute.

I am a little inclined to think that the appointing authorities might be able to achieve a more representative result with a smaller number of appointments if they were not confined to accepting X number of people nominated by such-an-such a body because sometimes you can appoint a man who may be a Governor and a former county commissioner, for example, from a rural part of the country. Well, in a sense, then, he represents three kinds of interests that you want represented all in one.

Representative Fountain. There again we had the problem of trying to see that those who are familiar with the affairs of the various types of municipalities in the country are represented. We could appreciate that a large metropolitan community might not be satisfied if the city member came from one of the smaller towns, and vice versa, because of a lack of understanding of each other's problems. For that reason we finally decided on four members from municipalities.

I believe we have a population limitation in the bill.

Dr. Goldberg. Yes. Not more than two of the four mayors can be chosen from cities of 500,000 or more population, so as not to have the Commission biased in the direction of the large metropolitan centers.

Mr. Bebout. Yes.

Dr. Goldberg. If I may point out another consideration that entered into Mr. Fountain's decision to draft the bill in this fashion, it was the thought that we must have a large number of members both in order to tie the various levels and branches of government into the picture and to assure a sufficient number of active working members. All of these people will be busy, necessarily, with other public duties, with their regular employment. Consequently, none of them can be expected to give a large amount of time to the work of the Commission.

I think the expectation in working with a group this large is that there will be a kind of rotating participation, so that when one group of members are busy with other duties, others will be available for Commission business. What is your reaction to that approach, Mr. Bebout?

Mr. Bebout. Well, I think that is an interesting thought and conceivably might work out. As I said before, we do not have much experience with this thing and I think any of us ought to be pretty modest about criticizing a particular proposal which has good reason behind it. So, my plea primarily was that whatever the final form

of this thing when it is enacted may be, that it be recognized as tentative—experimental, and that we be ready to consider openmindedly the situation after more experience.

Personally, I have more confidence in smaller bodies in which you can expect each member to assume continuous responsibility, even though it demands more time from them. But I recognize the good sense in the point you have just made.

Dr. Goldberg. I think it depends, does it not, on who the members are and how much devotion they will have to the task?

You and I are familiar with the working of the Kestnbaum Commission. The membership of that body was approximately the same size as the membership contemplated here, but there were five or six members who contributed much more time and energy than did the rest. If one could be sure that the Commission would have those five or six individuals at the same time, and that they reflected the varying viewpoints that these bills attempt to draw into the picture, then we would be in good shape.

Mr. Bebout. That is right.

Dr. Goldberg. But if we did not get these active individuals, we would be confronted with the deficiencies rather than the advantages of a small group.

Mr. Bebout. That is right.

Whether the group is large or small, we have to hope that a limited number of the group which will be tolerably representative of the whole, will be persons who are willing and able to devote a very considerable amount of time to it.

Of course, also the effectiveness of the Commission is going to depend to a considerable extent on the adequacy and competency of its staff.

This thing cannot be done without some staff. I do not mean to suggest that it necessarily has to have a large staff, particularly if, in other branches of the Government, perhaps in the Library of Congress and elsewhere, we develop a more nearly adequate source of continuing information on the problems with which this Commission will deal.

I understand Senator Hartke is interested in a bill to develop this kind of service in the Library of Congress.

That kind of plan might very well go along with this Commission and greatly facilitate the work of the Commission and improve its chances of making a worthwhile record.

Representative Fountain. In that connection, you will recall that we have a provision in the bill on page 6 which reads as follows:

> Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or the Vice Chairman, such information as the Commission deems necessary to carry out its functions under this act.

So we will certainly have the appropriate agencies of the Federal Government to assist the Commission in carrying out its functions.

I agree with you generally in that I am ordinarily opposed to large commissions for the reason that many of the members assume that someone else is going to do the work and for that reason do not show up. But where we are trying to get representation from various segments of the Federal Government and also from local and

State governments, it is awfully hard to reduce it to a small body that will answer all of the practical requirements, including that of facilitating action by the Congress.

You will note also that 12 members of the Commission, as proposed in this bill, shall constitute a quorum, but that two or more members shall constitute a quorum for the purpose of conducting hearings

Mrs. Dwyer.

Representative Dwyer. Mr. Chairman, I would like to ask several questions. You are familiar with the State legislatures, I know. I know you are familiar that we have a committee called the Federal-State Relations Committee. In my experience in the legislature, I do not think they have ever functioned actually. I particularly was shocked in this tour throughout the country to find that State legislatures were so uninformed as to the Federal grant-in-aid programs which were being enacted into law.

My first question then to you is do you feel in setting up such a commission that a Federal-State relations committee of the legislatures would take advantage of such a commission in asking for information and seeking knowledge and becoming better informed as to what the Federal Government was doing.

Mr. Bebout. I think it is quite possible. I think one of the reasons for the condition that shocked you is the fact that in State legislatures it is often very hard for the members who are elected for short terms and who cannot devote too much time to it, to get the kind of information that gives the conviction that they need in order to be hard working on a problem of this sort.

So I think that this Commission, with the assistance of the Library of Congress and other agencies, could very well give State legislatures and legislative committees the kind of information that is lacking now and it will give them more of a sense of confidence and therefore make them more effective. This would be one of the hopes I have for this sort of operation.

Representative Dwyer. How do you think they would coordinate their program with the Advisory Commission?

Mr. Bebout. I would suppose that you would establish direct relationships between staffs, between the staff and this Commission and legislative staffs and individual members, of course, of the legislature, as well as through representatives on the Commission.

After all, most State legislatures will have no specific representative on this Commission. The country is too big for that. You would have to make the Commission as big as the Congress, almost, to achieve that. So I think most of the contacts of the sort you are talking about will probably have to be at the staff level.

Representative Dwyer. Thank you. That is all.

Representative Fountain. Someone has suggested that it might be just as well if the President were to appoint such a commission on a voluntary basis without the authority of law.

What is your opinion as to whether a commission authorized by statute is more preferable or less preferable to one that is established exclusively by the President on a voluntary basis?

Mr. Bebout. I think it is preferable to authorize it by statute. It gives it more standing, more prestige, and assumes a commitment by the Congress which I think is just as important as the commitment by the President.

Dr. NOBLEMAN. Mr. Bebout, I assume you have had an opportunity to look through the various provisions of the bill?

Mr. BEBOUT. Yes.

Dr. NOBLEMAN. I wondered what you thought of the areas of study which are set forth in section 2? Do you think they are sufficiently broad and comprehensive?

Mr. BEBOUT. I think so. Of course they are intentionally stated in rather general terms which I thought was a good thing. And I was pleased that there was not the special emphasis or the almost exclusive emphasis that there has been in some previous bills or measures on the grant-in-aid programs and on the idea of seeing if you could not shift the responsibilities back to the States. I like the comprehensive way in which they are stated.

Dr. NOBLEMAN. Do you feel that perhaps it is limited too much to grants and does not place enough emphasis on other areas of Federal-State relations, or do you feel it should be limited to the grants?

Mr. BEBOUT. No; it does not seem to me you have limited it here and I do not think it should be limited. In other words, I like this statement.

Dr. NOBLEMAN. Concerning the membership, do you feel there should be a larger proportion of county representatives?

Mr. BEBOUT. I do not think so, necessarily. Of course, obviously there being—what is it?—3,000-odd counties in the United States, one county commissioner from either a rural or an urban county is not going to be able to represent the variety of county governments' point of view. If you had 10 county commissioners you could not achieve that, either. As I said before, though, I think many of your representatives may do double duty. You might very well have a Governor who is a former county commissioner and very much interested in county government, or you might have a mayor who also has been on a county commission, particularly in an urban community like the Detroit-Wayne County area, for example.

I think you cannot achieve perfect or proportionate representation of all the interests that you want. So, I am not too much concerned about the number of people who are tagged as county people, city people, or State legislative representatives. I would hope that the appointing authorities would actually get together with a view to balancing this out as best they could within the limits of the Commission.

Dr. NOBLEMAN. One further question, Mr. Chairman. Do you feel the Federal Government should bear the entire cost of this operation or should there be some sort of State contribution to this program?

Mr. BEBOUT. I am inclined to think that the Federal Government might as well finance this thing. The amount of money involved is not very great and I do not think that it would be worth the machinery involved to try to get specifically ear-marked State contributions to it. The success of the enterprise is going to depend upon the desire of the Federal Government and the State governments, themselves, to cooperate. And I think that their contribution should be in those terms rather than in the rather token fiscal contribution that would be involved if you tried to make this jointly supported.

Dr. NOBLEMAN. Thank you.

Representative FOUNTAIN. Any other questions?

Dr. Goldberg?

Dr. Goldberg. Mr. Bebout, is it your feeling that the same representativeness of the Commission in relation to State and local government would be achieved if appointments were made directly by the President at his own discretion rather than from panels submitted to the President by the State and local organizations?

Mr. Bebout. Over the long run, I would be inclined to think so, myself.

Sometimes it might not happen that way. On the other hand, you have to recognize the fact that these groups themselves, when they make nominations are going to be subject to experimental pressures of their own and they may not always present the President with a truly representative slate. It may be that one of these organizations with the best intentions in the world, will use their nominations to this commission to balance out their total slate of officers.

And, furthermore, since each one of these organizations is going to make a certain number of nominations and the President has to appoint from those recommendations, he may be less able to make what I call double or triple duty appointments as a result of this process.

I think you may have an excessive amount of machinery and of specifications here which may actually help to defeat the representative result that you want.

Representative Fountain. I might say the problems you raise are problems which have confronted us.

Mr. Bebout. I am sure they are.

Representative Fountain. I am frank to say that we are not convinced that we have answered them completely in this bill because we realize these possibilities. And, of course, the complexion of the Commission will be determined to a large extent, and the accomplishment of the Commission too, by the interest of the persons appointed. And that is something we cannot tell much about until they are appointed.

I very deliberately omitted trying to be specific as to just what the Commission ought to do. I used general language purposely because I think, if we tie their hands, then the Commission well may be handicapped.

I want to thank you for coming, and I would like to say that if you have any further suggestions you care to make after further study of these bills, the committee will appreciate receiving them and will make them a part of the record. We want to get the best piece of legislation we can to accomplish the purposes which I think all of us have in mind.

Mr. Bebout. Thank you very much. I will think about it and we may send a supplementary memorandum to you. If you have any questions that you think the league might be able to throw light on, we will be very glad to hear from you.

Representative Fountain. Thank you very much.

While we are waiting for some of our very busy witnesses to appear—they are Members of Congress—I might make reference to some of the correspondence which we have received and which will be made a part of the record.

In response to our invitation extended to every State Governor to testify in these hearings, testimony or communications have been received to date from 29 Governors. Of these responses 10 favor the

legislation under consideration and none are opposed. In addition, Governor Williams is scheduled to appear on Monday and seven Governors have indicated their intention to file statements, which will be made a part of the record. Eleven other Governors have communicated with the committee but, as yet, have expressed no opinion on this legislation because, I imagine, they have not had an opportunity to carefully analyze it.

Three Governors accepted invitations to testify. Gov. Herschel Loveless of Iowa testified on the first day of our hearings, June 16, in favor of the bills; Gov. G. Mennen Williams of Michigan is scheduled to testify next Monday; Gov. Foster Furcolo, who was unable to appear last Tuesday as scheduled, will submit his statement.

Nine Governors have submitted statements as follows: Gov. William E. Stratton of Illinois, by letter of June 9, 1959, urged favorable consideration of the bills before us. He stated that the creation of the proposed Commission, in his opinion, is timely and necessary.

Gov. Luther H. Hodges, of North Carolina, in a statement submitted June 12, recommended favorable action but indicated a preference for State sharing of the Commission's expenses.

Gov. Michael V. Di Salle, of Ohio expressed wholehearted support for these bills in his letter of June 15.

Gov. David Lawrence, of Pennsylvania, by letter of June 3, indicated that his State is generally in favor of this legislation.

Gov. John Burroughs, of New Mexico, in a statement submitted June 5, expressed himself in favor of these bills, saying that the proposed Commission would provide a valuable and necessary instrument. Governor Burroughs suggested that if the Commission could be enlarged, he would prefer additional State legislative representation.

Gov. Albert D. Rosellini, of Washington, by letter of June 10, stated that this appears to be worthwhile legislation.

Gov. J. Hugo Aronson, of Montana, by letter of June 10, indicated that in general he is in agreement with this legislation, subject, however, to several qualifications relating to size and cost of the Commission, the specifications and its purposes, and the composition of its membership. I might add at this point that I too, am very much concerned and will be concerned about the cost of this Commission.

Gov. Harold W. Handley, of Indiana, by letter of June 9, indicated his endorsement of any effort which will prevent over-centralization in government.

Gov. S. Ernest Vandiver, of Georgia, by letter of June 15, recommended creation of the Advisory Commission, which he believes can be of vast benefit to all levels of government.

Six governors, in addition to Governor Furcolo, have indicated their intention to file statements. These are Gov. John Patterson, of Alabama; Gov. Robert T. Stafford, of Vermont; Gov. Cecil H. Underwood, of West Virginia; Gov. J. Millard Tawes, of Maryland; Gov. Robert E. Smylie, of Idaho; and Gov. Orville L. Freeman, of Minnesota.

Eleven of the Governors communicated with the committee but expressed no opinion. I can well understand that these gentlemen are very busy and perhaps have not had an opportunity as yet to

analyze legislation. These are Gov. LeRoy Collins, of Florida; Gov. Grant Sawyer, of Nevada; Gov. Paul Fannin, of Arizona; Gov. Robert B. Meyner, of New Jersey; Gov. George Docking, of Kansas; Gov. Abraham Ribicoff, of Connecticut; Gov. James T. Blair, Jr., of Missouri; Gov. Edmund G. Brown, of California; Gov. George D. Clyde, of Utah; Gov. J. Howard Edmondson, of Oklahoma; and Gov. Buford Ellington, of Tennessee.

Written statements have also been received from the executive director of the Council of State Governments, Brevard Crihfield; from the general counsel and manager of the California County Supervisors Association, William R. MacDougall; and from the following State legislators: State Senator Vernon A. Cheever, of Colorado, and State Senator Elisha T. Barrett, of New York. In addition, a statement has been received from former State Senator J. C. Eagles, Jr., of North Carolina, who is presently serving as legislative counsel to Governor Hodges.

A statement has also been received from Senator Jacob K. Javits, of New York, while a number of our colleagues in both the House and the Senate have notified us that they are preparing statements. Statements have been promised also by several State legislators.

All of these statements will be made a part of this hearing record.

Mrs. Dwyer, the ranking minority member of the House segment of this joint committee, received a letter this morning from Congressman Langen who is a member of the subcommittee, expressing his regret that he could not be here. I would like to read his letter:

> DEAR COLLEAGUE: The livestock and Feed Grains Subcommittee of the House Committee on Agriculture is holding hearings this morning on legislation pertaining to feed grains.
>
> Inasmuch as my bill H.R. 6924 pertains to feed grains, I am testifying before the subcommittee this morning in behalf of the bill.
>
> Therefore, I will be unable to attend the joint meetings of the House and Senate Subcommittees on Intergovernmental Relations. I would appreciate your advising the committee the reason for my absence.
>
> Thank you.

While this letter was not necessary, Congressman Langen did this, I am sure, because he is tremendously interested in this legislation and the purposes which it is designed to accomplish.

Pending the arrival of two witnesses, Congressman Ostertag and Congressman Daddario, who will be here in a few minutes, we will take a short recess.

(The committee was in recess briefly.)

Representative FOUNTAIN. Our next witness is Congressman Emilio Q. Daddario from the State of Connecticut. I might say that Congressman Daddario's predecessor, who happened to be of another party, was an able member of this subcommittee during the last Congress.

We are very happy to have you with us, Congressman. We appreciate you taking time from your busy schedule to come over and give us the benefit of your thinking in connection with these bills which have been introduced to establish an Advisory Commission on Intergovernmental Relations.

STATEMENT OF HON. EMILIO Q. DADDARIO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CONNECTICUT

Representative DADDARIO. Mr. Chairman, I am appreciative of the opportunity of speaking to this committee. It is a subject in which I have had an interest for some period of time, dating back to the days when I was mayor of the city of Middletown, Conn. We ran then into many problems which advisory commissions had to look into at local levels. You can always draw an analogy between local problems and the greater problems of Federal and State cooperation. Because of my interest in these problems I welcome the opportunity to participate before this particular committee.

I have a prepared statement.

I wholeheartedly support the principle of a continuing review of intergovernmental relations. The information developed by both the Kestnbaum Commission and the Fountain subcommittee has shown areas of constantly changing governmental patterns and needs. Only if Congress has a good flow of information and timely access to the facts can it act promptly on emerging situations.

I have mentioned two studies at the Federal level of great importance. It would be well to note also the increasing attention scholars are paying to the metropolitan problem. The studies of the New York metropolitan region, the Massachusetts Institute of Technology, Harvard, and the Committee for Economic Development on area development have all highlighted the difficult and pressing nature of the urban growth experienced in this country.

Because man must deal with the social and economic problems that beset him through some form of political organization, he must constantly ask himself: Is this organization the best for the purpose? Every businessman knows the danger of allowing his organization to worship a system where correct routine becomes more important than increasing sales and production. But history shows that the structure of grants-in-aid must be flexible so that they will not become out of date in the light of shifting economic facts and community growth.

In Connecticut, the General Assembly has recently completed its biennial session and adjourned. Many historic accomplishments were recorded by this assembly, but one in particular I should like to cite to you today. It is the abolition as of October 1, 1960, of the eight county government structures. For that achievement alone, the names of Gov. A. A. Ribicoff and the members of the 1959 General Assembly deserve praise.

All county government is not, of course, wrong. I know that in other areas of the country, counties are basic to strong, effective government and, indeed, have adjusted splendidly to the growth of urban services. But in Connecticut they had long ago outlived their usefulness. The system was 293 years old this year. County functions had shrunk to a handful and the people had been long accustomed to bypassing the county seat for action. True, there was political usefulness in the form of lingering patronage, but Governor Ribicoff and this assembly faced up to the fact that this form of government was unnecessary. There is to be reallocation of revenues paid under the old system to the towns and counties. The towns will not now be faced

with the former substantial county tax of approximately $6 million. The county's only jobs are going to be reapportioned among other agencies.

This is a realistic recognition of 20th century facts of life.

What is the principal relationship of this program to Federal grants-in-aid? It should caution us that those who allocate such grants must always be aware of shifting community concepts of organization so that the grants are a reflection of the public will. And such grants must not be allowed to become forces for inflexibility.

We face a problem of recognizing, in honest and clear-headed fashion, that there are metropolitan problems that cannot be handled individually or severally by small competitive jurisdictions. In discussing H.R. 3610 earlier in this session, I pointed out that three communities whose water pollution problems overlapped needed authority to share in grants to encourage construction of a necessary facility. I was happy to see that the bill introduced by the gentleman from Minnesota allowed communities to combine.

I also noted in the discussion on the floor that no municipal sewage treatment plants had been placed under construction in Connecticut in 1957–58 except where Federal grants were available. Let us not be unrealistic about the financial problems that beset local and State governments—they need help in many areas of desirable social progress.

We must enlist the utmost participation in these problems at all levels. We in Connecticut have been fortunate over the years in the character of citizen participation in government. The county government reform I have referred to has not eliminated continued use of advisory and policy boards. I believe an Advisory Commission as contemplated under the bills would serve a similarly useful purpose.

It could, among other things, be searching for ways to make more efficient and more economical the sprawling structure of government that has grown in this country. It was brought to my attention not long ago that in one Illinois municipality of 8,500 population located in the Chicago metropolitan area, there were 15 local governments within the city limits. These were: One municipal government, four elementary school districts, two high school districts, one sanitary district, three townships, two counties, one mosquito abatement district, one tuberculosis sanatorium district.

Each of the 15 local governments was an independent taxing body. I think it is clear that until services are organized in a reasonable, efficient basis, confusion and waste are inevitable. We know that some local committees cannot muster the financial resources to accomplish measures that are socially desirable. Programs that are necessary to the well-being of all must be attained through fiscal measures that encompass the total community.

This committee, I understand, is well aware of the increasing competition for tax revenues among the different levels of government. I should like to make a reference to several problems that have recently appeared in this area of which the Advisory Commission might take note.

The first stems from increasing taxation by States on nonresidents. This Congress is currently studying resolutions to launch a constitutional amendment that might correct the problem. But Connecticut

has found taxes imposed on its citizens to be a most difficult burden. In my district, many citizens who work in the Springfield area of Massachusetts find that State exacting income taxes upon them of some half a million dollars this last year.

This overlapping tax situation causes us deep concern. Connecticut does not accept a solution that has been suggested to it, that by accepting the form of personal income tax adopted by her sister States, she can secure reciprocal tax credits. Connecticut, as a sovereign State, considers the revenues she raises as her own business.

But with the increasing desire for revenues, States may find it eminently desirable to tax out-of-State residents more severely than their own—through discrimination in credits on charitable contributions, for instance, or medical expenses, or life insurance.

Take the second instance. The Supreme Court recently, in the so-called Stockham Valve decision, stated that States might tax a foreign corporation on income earned from and apportioned to business activities within the taxing State. This decision has created a great disturbance among small manufacturing and commercial corporations in my State.

This decision can be especially hard on little companies. Thirty-five States already have laws providing for taxes on out-of-State companies and the rest will not be far behind. Will small companies be able to keep all the required records, keep track of the laws, and file the necessary returns? If the precedent has been established that States may, under certain circumstances, tax companies engaged exclusively in interstate commerce, could not cities also seek part of this revenue pie?

Under the need for new revenues, the increasing competition is going to encourage muscling among governmental agencies. It is bound to create problems that must be examined and reported to Congress if action is needed.

Taking into consideration the needs and responsibilities of government agencies, Federal, State, and local we must solve the problem of allocation of resources to do the job. When we do, we can cut the costs of doing business and remove obstacles to a better living.

One illustration might be the improvement of industry and commerce through better communications and transportation.

Consider an area in which the Federal Government plays an important role today. As a member of the Science and Astronautics Committee, I am keenly aware of the research and development program in the Nation. We must have an adequate effort if the Nation is to keep pace with modern technology and with the competition from abroad. Research and development expenditures in this country have increased from $5.4 billion in 1953 to an estimated $10 billion in 1957, and the future promises more. Now who is spending this money?

Basically, it is the Federal Government, in the interests of military, health and agricultural needs of the country, and private industry also to keep pace with competition and for the purpose of profit. Colleges and universities sponsor some as the traditional sources of basic research, but they rely as well on Federal grants. Grants by charitable foundations also enter the picture.

What do the States do in this area? They also have health needs and agricultural needs. Expenditures in six States for research and development in 1954 have been the subject of a study by the National Science Foundation and it was found that Connecticut spent almost $3 million of its own that year, while California was spending $32 million and New York $18 million.

Among projects undertaken by Connecticut were studies in agriculture, public works, health, welfare, highways and resource development. The University of Connecticut, one of the major agents in the research and development program, handling about one-fourth of the State funds, also accounts for a number of projects supported by Federal and State funds.

I mention this as an area in which, again, allocation of total resources, once they have been determined, is important to efficient management and perhaps even to survival. It is an area in which competition among levels of government could work harm. Coordination will eliminate unnecessary duplication and waste of funds.

Congress has a vital role in the formulation of public policy on these issues. It can act, where many separate local entities may not be able to do so. The need for continuing touch with these issues is imperative.

I think the case for an Advisory Commission is clear.

Representative FOUNTAIN. Thank you, Congressman, for a splendid statement. You have pointed out several areas where such a Commission might serve a very useful function, particularly with respect to taxes and the competition at various levels of government for taxes.

Senator Muskie, before you came in Congressman Daddario made mention of the fact, that county government has been abolished in his State. He said:

> In Connecticut, the general assembly has recently completed its biennial session and adjourned. Many historic accomplishments were recorded by this assembly, but one in particular I should like to cite to you today. It is the abolition as of October 1, 1960, of the eight county government structures. For that achievement alone, the names of Gov. A. A. Ribicoff and the members of the 1959 general assembly deserve praise.

That is quite a contrast to my own State where we have one of the strongest systems of county government in the Nation. The counties are still very effective in my State.

Representative DADDARIO. You notice, Mr. Chairman, that I pointed out that there were States where county government has kept pace with progress and where they are serving a good and useful purpose.

And this I think highlights, too, the need of advisory commissions because it shows the fluctuating change and the different approach that various State governments have had to their own particular problems. There are off-shoots in all kinds of directions that must be rolled into one overall program. The different approaches to these problems can be taken into consideration by these advisory commissions.

Representative FOUNTAIN. I think you covered that very well. I believe that in the New England States, the cities are really your strong governments. Is that correct, Senator?

Senator MUSKIE. Yes, especially in Connecticut, which is really just one big city.

Representative DADDARIO. Well, it is a large urban area but we still have our rural areas, Senator, and we still have our problems

in that direction, as you know. We have spread away from the large cities both with residences and shopping areas. The establishment of shopping centers in what has historically been our rural area has created a problem. In Hartford, for example, we have undertaken studies to see whether or not we should encompass all the cities and towns in the large metropolitan district into one governmental agency. This might be the solution to some of the problems of education, of fire and police protection, and similar continuing problems, which beset our municipalities.

Senator MUSKIE. I have been reading something of the work of your General Assembly this year and I cannot recall, in my own experience, in my own reading, of more far-reaching and extensive reforms, governmental reforms, in any State than have been adopted by the General Assembly of Connecticut this year.

I think that the assembly is to be congratulated as well as the Governor. It is really amazing that they were able to do this.

Representative DADDARIO. It was more than amazing, not only because it was accomplished but because it was accomplished with a majority of just one in the house of representatives in the State. The types of reforms involved historical changes in governmental concept in Connecticut. There has been some cry for many years for certain reforms in the State—county reform and court reform. It never really seemed as though it would reach any positive conclusion. We were very happy this time, when the opportunity came, that Governor Ribicoff and the assembly were able to make the changes, not just in one of these areas, but all the way down the board. Taking all of the facts into consideration, it was a wonderful accomplishment.

Senator MUSKIE. A lot of the work done was in this very area that we are discussing, intergovernmental relations, at least as between the State and local government. It is refreshing to see what can be done when you have an intelligent and concentrated attention given to these problems.

I was particularly interested and would like to comment, not at length, on this business of taxing out-of-State residents.

It is a hot problem in New England right now because of the new Massachusetts withholding tax. I think one of the really disturbing results relates to transient truck drivers. In Massachusetts, for example, a truck driver whose residence is in Maine or in any of the other New England States, and who travels a route that passes through Massachusetts is now required to pay an income tax on that proportion of his income which is measured by the total mileage he travels through Massachusetts, as compared to the total mileage that he travels throughout the week. I can just imagine the plight of the poor airlines pilot whose route goes from New York to San Francisco and who might fly over 15 or 20 of these income tax States. So I think that you are right, that this is a problem that could very well be discussed by this Commission. I do not know any other way it can be handled. Some 32 States have income taxes, so it is impossible to contemplate that they would support a constitutional amendment limiting their right to tax nonresidents. It is a very pressing problem in New England, as well as in New York and New Jersey. I think Mrs. Dwyer is familiar with that.

Representative DWYER. I agree with you, Senator, and with the Congressman that it is a pressing problem, for residents of New Jersey as well as residents of Connecticut.

Representative FOUNTAIN. Mrs. Dwyer?

Representative DWYER. No questions.

Representative FOUNTAIN. Thank you very much for coming, Congressman. You have given us valuable information. We appreciate your contribution.

(Supplementary information was received as follows:)

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 24, 1959.

Hon. L. H. FOUNTAIN.
Chairman, Intergovernmental Relations Subcommittee,
Committee on Government Operations.

DEAR MR. CHAIRMAN: You will recall that in my remarks on H.R. 6904 before the joint committee on June 19, I referred to academic studies now in progress on the subject of the explosive metropolitan growth taking place in this country.

I had asked the Legislative Reference Service to cite some of the major studies for me, and I enclose a copy of the list which I subsequently received.

Additionally, the Committee for Economic Development has established an Area Development Committee which has begun such a program and published two papers already, one on the topic: The Changing Economic Function of the Central City. The CED notes that studies of metropolitan government began before 1900, have been distinguished in the last 30 years by work of the National Municipal League, Victor Jones, and others, and now are "at flood tide with major studies going on or recently completed in every large metropolitan region in the country."

Because I thought this might be of interest to the committee, I am forwarding this material to you.

Sincerely,

EMILIO Q. DADDARIO, *Member of Congress.*

LIST OF ORGANIZATIONS ENGAGED IN STUDY OF NATIONAL URBAN PROBLEMS

American Council to Improve Our Neighborhoods, New York, N.Y.: Dedicated to the prevention and elimination of slums through comprehensive urban planning, publishes technical aids and case histories in cooperation with civic and business groups.

Brookings Institution, Washington, D.C.: Conducts research studies in Government and economics on a continuing basis.

Bureau of Government, University of Wisconsin: Study with emphasis on the role of the State government, 1958; James R. Donoghue, director.

Bureau of Government Research, Indiana University: Study of 6–8 selected cities, 1958; York Wilbern, director.

Bureau of Government Research, University of California: Study of various aspects of metropolitan problems, 1956; Winston W. Couch, director.

Conference on Metropolitan Area Problems, New York, N.Y.: Publishes bimonthly news and digest of urban studies and news; George H. Deming, director; sponsored by the Government Affairs Foundation.

Graduate School of Public Administration, Harvard University, Mass.: 3 years' investigation of New York City area urban problems, 11 books to be published in 1958–59 cosponsored by Regional Plan Association, Inc.; Raymond Vernon, director.

Institute for Community Development, Michigan State University: 5-year study of metropolitan problems, 1958; Dr. Charles Adrian, director.

Joint Center for Urban Studies, Harvard University and Massachusetts Institute of Technology: Basic research in problems of urban growth, 1959; Martin Meyerson, director.

Scripps Foundation, Miami University, Ohio: Study of standard metropolitan areas.

Stern Family Fund Studies, Governmental Affairs Institute, Washington, D.C.: Projects on Federal and State impact on metropolitan government, 1957; Luther Gulick, director.

University of Michigan, Legislative Research Center, Law School: 2-year study of governmental urban problems, 1958; William J. Pierce, director.

University of Pennsylvania, Institute for Urban Studies; William Wheaton, director.

Urban Land Institute, Washington, D.C.: Conducts studies and publishes monthly bulletins and technical bulletins (periodically) in field or urban planning and development; Max S. Wehrly, director.

Urban Planning Research Group, University of Illinois, Department of City Planning and Lanscape Architecture: Studies of urban problems and publishes Research Digest.

Center for Urban Regional Planning, Yale University, New Haven, Conn.: Study of Atlantic urban region.

Washington Center of Metropolitan Studies, Washington, D.C.: Interinstitutional center for research and graduate studies.

We are very happy to have as our next witness a former colleague in the House, a very able and distinguished Member who is now making a distinguished record in the U.S. Senate. We appreciate your coming, Senator McCarthy, to give us the benefit of your thinking in connection with these bills designed to establish an Advisory Commission.

STATEMENT OF HON. EUGENE J. McCARTHY, A U.S. SENATOR FROM THE STATE OF MINNESOTA

Senator McCarthy. Mr. Chairman, members of the committee, I do appreciate the opportunity to appear before this committee and to register my support for S. 2026 and the related bills and resolutions which provide for the establishment of an Advisory Commission on Intergovernmental Relations.

I will not take the committee's time to comment on the technical features of the bill since the bill follows a more or less established pattern with regard to the makeup and composition of the Commission. I think they are quite generally satisfactory.

As we know, government in the United States is very complex. We have division of powers within the various units of government, Federal, State, and local, and divisions of power as between the various agencies and among them.

While additions are made to laws in each session of Congress and in almost every session of the State legislatures, the process of change appears to be slow.

Yet if we look back over the last half century I think we can begin to appreciate the magnitude of the changes that have been taking place. The population of the country has nearly doubled since 1910; the expenditures of the Federal Government, which in that year were around $700 million, now approach $80 billion a year. The total bonded indebtedness of all units of government was $5 billion in 1910 but it is over $320 billion today. The growth of Government employees has increased in about the same proportion.

In this same period the population of the Nation has changed from one which was predominantly rural to one which is now predominantly urban, and within those populations, both rural and urban, there is a greater measure of mobility. The changes in the economy are equally marked. The movement of goods, the interdependence of industry, and all the technological changes create great problems that cross the boundaries of State and local jurisdictions in a way which was not previously known.

This constitutes a problem for the Federal Government, for the State governments, and for the local units of government. We know that in a broad way the Civil War settled the question of ultimate sovereignty, but it did not solve most of the practical problems of authority and of the overlapping functions.

In fact these problems have increased. In taxes, in the field of civil rights, in the area of responsibility for social welfare, in communication, transportation, industry, and education, in nearly everything excepting national defense and foreign policy there are disputed areas and duplication of effort.

We need, therefore, to develop both an increased understanding of the problem and new procedures to emphasize and to make effective the relationships of the Federal, State, and local units of government in the United States.

In general, of course, as our country has developed, the principal responsibility for decisions affecting the immediate welfare of the people, for their intellectual and moral improvement, has been exercised by local and State governments.

This, I am satisfied, is as it should be. The division of responsibilities along lines which encourage local decision and the acceptance of local responsibility is a necessary part of our democracy.

The smaller communities of government are best devised for humanizing governmental activities. A local program can have greater flexibility and can adjust more rapidly to local needs and customs. It guarantees a citizen a closer and more personal access to the protection and the privilege of the Government.

However, when we come to consider broad programs, particularly those which must be operated within a general framework where the rights of all citizens are equally involved, the action by the Federal Government becomes somewhat more necessary and somewhat more defensible. We cite the case of the old-age and survivors insurance program as a good example. This program, as you know, established a general retirement program for—at this time it has come to be for—nearly all citizens of the country. The effect of it has been really twofold. One, it has given a measure of economic security to people as they approach retirement age or as they do retire.

But, in addition, the fact that this is a national program gives to the citizen a greater measure of economic freedom, freedom to move from one job or from one industry or one State to another. If one's retirement program were tied to a particular employer or to a particular industry or if his retirement program was one which was based solely upon State law, then his mobility and his feedom of choice in the field of his economic activities would be greatly limited; and with that his general choice of freedom would be much restricted. In anticipation of the establishment of this Commission and the studies which are likely to be carried out under it, it is vitally necessary to keep in mind this quality of dual citizenship in the United States. We have citizenship on the broad scale, with all of the rights that go with that, and citizenship as a member of local and immediate units of government.

A second problem is that of financing. This has become increasingly difficult for local and State governments. The chief social welfare problems tend to correlate with areas where there is the lowest average

income and the least amount of taxable wealth. The improvement of conditions of people in these areas requires some acceptance of responsibility by the Nation as a whole.

Furthermore, the Federal tax structure I think is generally based much more on the ability to pay and is much more responsive to the rise and fall of economic activity; and of course as we know the borrowing authority of the Federal Government is generally much greater than that of State and local governments.

Mr. Chairman, I have been in the process of having a number of studies made in five general areas which I think are of importance to this committee and will be of importance to the Commission which I hope is established following your deliberations here.

These studies have to do with what might be called barriers in interstate commerce. They relate principally to economic activities in the Nation and cover these five general fields.

One, State taxation of interstate commerce; secondly, the application and the consequences of the application of use taxes within the States; third, the effect of milk barriers which have a particular significance for those of us in the Midwest; fourth, various State regulations and laws that tend to interfere with the free movement and transportation of goods; and, fifth, special State legislation bearing upon agricultural commodities and agricultural products.

Mr. Chairman, I will not go through all of these reports but I would like to have the permission of the committee to file with the committee and to include as a part of my statement a summary of these five general reports on questions which I think have vital bearing upon the economic relationships and the freedom of trade in commerce and exchange among the States of the United States.

Representative FOUNTAIN. If there is no objection, they will be made part of the record.

(The five general reports referred to are as follows:)

PRELIMINARY STATEMENT

There were many deficiencies in the old Articles of Confederation, but nothing was more damaging to the future prospects of the newly independent States than their pursuit of short-term economic advantage at one another's expense. Under the articles, the States were employing their commerce powers to make commercial war upon one another. For example, Pennsylvania and New York discriminated—by high port charges and tonnage fees—against New Jersey, which possessed no good harbors. James Madison likened New Jersey, placed between the ports of New York and Philadelphia, to a cask tapped at both ends. He compared North Carolina, in a similar position between Virginia and South Carolina, to a patient bleeding at both arms.

The commerce clause of the Constitution was designed to correct this situation. It states clearly and forcefully (art. I, sec. 8) that "The Congress shall have power * * * to regulate commerce with foreign nations, and among the several States * * *." As Justice Felix Frankfurter stressed in a recent dissent, the policy that underlies the commerce clause is that "whatever disadvantages may accrue to the separate States from making of the United States a free-trade territory are far outweighed by the advantages not only to the United States as a nation but to the component parts."

The following areas are examples of where questions have been raised and conflicts have arisen. This list is not exhaustive. It is intended to illustrate the complexity and the importance of this type of intergovernmental problem.

Report I—State Taxation of Interstate Commerce

A. THE PROBLEM

State taxation of income derived from exclusively interstate commerce was upheld as constitutional in a recent Supreme Court decision. The Court's decision applied to two similar cases before the Court, the facts of which are summarized below.

Williams (Georgia State Revenue Commissioner) v. *Stockham Valves and Fittings.* Stockham is a Delaware corporation with its administrative office and its manufacturing plant in Birmingham, Ala. It maintains warehouses in five States, sales offices in seven States and ships its products over virtually the entire country. It objected to an income tax recently imposed on it by Georgia, involving arrears and penalties running back to 1952. Its objection was based on the fact that its sales representative spends only one-third of his time in Georgia and is employed only in soliciting orders and in promotional work; all orders from Georgia customers are accepted or rejected at the home office in Alabama and all goods are supplied from the office or factory in Alabama. The company maintained that the tax violated the commerce clause of the U.S. Constitution. (Art. I, sec. 8 of the Constitution states that "The Congress shall have power * * * to regulate commerce with foreign nations and among the several States * * *.")

Northwestern States Portland Cement Company v. *Minnesota.* Northwestern has a manufacturing plant in Iowa. It maintains a sales office in Minnesota and sells its products (cement and cement products) in the north central States. In its Minneapolis office it employs five salesmen and a secretary. The salesmen write orders and do promotional work, but all orders are subject to acceptance at the home office in Iowa and are filled from inventories in Iowa. Minnesota assessed its income tax on the company with arrears and penalties going back to 1933. The company appealed to the courts on the ground that the tax violated the commerce clause.

The Court, on February 24, 1959, upheld the State taxes. In a 6–3 decision, it held that "net income from interstate operations of a foreign corporation may be subjected to State taxation provided the levy is not discriminatory and is properly apportioned to local activities within the taxing State * * *." Justice Whittaker's dissent—joined in by Justices Frankfurter and Stewart—argued that the commerce clause of the Constitution had heretofore, and properly, been interpreted as prohibiting any State taxation on "exclusively interstate commerce."

The facts in the two cases, as outlined above, were not in dispute, nor was the judgment that the commerce involved was "exclusively interstate" in character. Nor did any party dispute the particular tax formulas used by Minnesota and Georgia. At issue was the constitutional question of whether such State taxes violated the commerce clause. Clark's majority opinion quoted approvingly from an earlier lower court decision to the effect that "* * * a (State) tax on net income from interstate commerce, as distinguished from a tax on the privilege of engaging in interstate commerce, does not conflict with the commerce clause." Clark said that "While it is true that a State may not erect a wall around its borders preventing commerce an entry, it is axiomatic that the founders did not intend to immunize such commerce from carrying its fair share of the costs of the State government in return for the benefits it derives from within the State." Further: "In this type of case, the taxpayers must show that the formula places a burden upon interstate commerce in a constitutional sense. This they have failed to do."

Whittaker's dissent concludes: "The commerce clause denies State power to regulate interstate commerce. It vests that power exclusively in Congress. Direct taxation of 'exclusively interstate commerce' is a substantial regulation of it and, therefore, in the absence of congressional consent, the States may not directly tax it. The Court has so held every time the question has been presented here until today."

Frankfurter's separate dissent held that "we have never (previously) decided that a State may tax a corporation when that tax is on income related to the State by virtue of activities within it when such activities are exclusively part of the process of doing interstate commerce." He said that new precedents should not be barred, but he disagreed with what he regarded as this new departure on constitutional grounds: "My objection is the policy that underlies the commerce clause, namely, whatever disadvantages may accrue to the sepa-

rate States from making of the United States a free-trade territory are far outweighed by the advantages not only to the United States as a nation, but to the component States. I am assuming, of course, that today's decision will stimulate, if indeed it does not compel, every State of the Union, which has not already done so, to devise a formula of apportionment to tax the income of enterprises carrying on exclusively interstate commerce. As a result, interstate commerce will be burdened not hypothetically but practically, and we have been admonished again and again that taxation is a practical matter." Frankfurter went on to point to further difficulties, such as increased costs to small corporations in bookkeeping, legal fees, etc., and greatly increased litigation over the fairness and nondiscriminatory nature of various State tax formulas.

The following commentary on the effects on interstate commerce of such State taxation is an excerpt from an article entitled "New Threat in State Business Taxation" by Paul Studenski and Gerald J. Glasser which appeared in the Harvard Business Review, November–December 1958, vol. 36. No. 6. This article was written before the Supreme Court decision was handed down; it deals extensively with the cases then pending and the issues raised by them.

The imposition of the tax in a market State is equivalent to a requirement that a corporation take out a license for a right to sell goods in the State. While it may not stop a large corporation from selling goods in the State, it may stop many medium-size or small corporations from doing so. The sales solicited by such a corporation may not be large enough to justify paying a tax and filing a return or to risk back assessments for the years when the company may have been selling goods in the State under the assumption that it was not subject to the tax.

As a result, many corporations may very well limit their sales to a regional rather than a national market, with a consequent curtailment of interregional competition and of the efficient interregional use of the country's economic resources. A good part of the unity of our national market would be destroyed for the first time in the history of our country. Actually, in the whole 170 years that have elapsed since the adoption of the Federal Constitution—which prohibited the erection of tariff barriers by the States and established one single national market—there has not been a comparable attempt at interference with interstate commerce.

The whole structure of distribution of manufactured goods may be changed fundamentally, but not advantageously, as a result of these interferences with interstate commerce, since many corporations may organize subsidiaries, dispense with sales agents, or sell through distributors to avoid the harassing State impositions. In this way the efficiency of the national economy would be reduced.

The company executives interviewed or otherwise contacted in the course of this study expressed grave concern over the adverse effects which wider use of this innovation in State business taxation might have on their ability to carry on business throughout the country. Quite a number of companies indicated that they would seriously consider making substantial alterations in their whole sales organizations and activities if taxed on such a basis. Medium sized and small concerns were particularly emphatic in this respect.

The article concludes that this kind of taxation is unwise for the following reasons:

(1) Where an out-of-State company's activities are confined to solicitation, its contact with the State is too remote and its receipt of benefits from the State, if any, are too inconsequential to consider it an integral part of that State's economy and to justify, on any principle of equity, any levy as direct and pervasive as the net income tax.

(2) Companies that are extensively engaged in interstate commerce will have to file annual returns and pay income taxes to a multitude of States in which they conduct very little business. This will increase the difficulties of compliance because of the different methods used by the States in imposing these taxes and in allocating income under them. It will compel many corporations, especially of small and medium size, to restrict their sales to a few States, with the result that interstate commerce will be impeded and the efficiency of the national economy will be lowered.

(3) The possibilities of double and multiple taxation of companies on the same net income will be greatly increased. Thus, that degree of relative equitableness which it has taken the States many years to achieve will be destroyed.

(4) Levying income taxes on such companies represents the taxing by some States of income produced by the capital and labor employed in other States with the aid of the services rendered by these other States. This constitutes an uncontrolled and often wholly unwarranted redistribution of tax resources not calculated to produce any discernible national advantage.

(5) Finally, the administration of these taxes will be much more difficult and arbitrary, and will necessarily result in a considerable amount of evasion and litigations.

B. CONGRESS' AUTHORITY IN THIS FIELD

Justice Frankfurter, in his dissent, made an explicit appeal to Congress to take action in this field: "The problem calls for solution by devising a congressional policy. Congress alone can provide for a full and thorough canvassing of the multitudinous and intricate factors which compose the problem of the taxing freedom of the States and the needed limits on such State taxing power."

There seems to be no disagreement about the judgment that Congress has the authority to legislate in this field if it so desires. The Supreme Court ruled in the absence of a congressional policy; it did not proscribe congressional action. In fact, Clark's majority opinion contains the following language: "Commerce between the States having grown up like Topsy, *the Congress meanwhile not having undertaken to regulate taxation of it*, and the States having understandably persisted in their efforts to get some return for the substantial benefits they have afforded it, there is little wonder that there has been no end of cases testing out State tax levies." [Emphasis added.]

In the same vein, there follows an excerpt from a letter recently submitted to the Senate Select Committee on Small Business by the American Law Division of LRS; this letter accompanied the division's analysis of the Supreme Court decision of February 24: "There is little doubt that Congress, in the exercise of its constitutional power to regulate commerce, could enact legislation to prohibit any State from imposing a tax on income derived exclusively from interstate commerce." Similarly, Jerome R. Hellerstein, professor of law at New York University, appeared before the committee and made the following statement: "Way back in the early days of our judicial history, with the famous old cases such as *Gibbons* v. *Ogden*, the Supreme Court determined that, in the absence of congressional action, there are some limitations on State taxation. And that is what this 150 years of controversy has been about. But I would suppose that it is perfectly clear that Congress, having the power to regulate commerce, just as it can regulate labor relations in respect to interstate commerce, just as it can regulate railroad matters, so Congress can quite clearly regulate the extent of State taxation of interstate commerce."

Report II—The Use Tax

The "use tax" is a levy on the initial use within the State of taxable articles purchased outside of the State (usually even if a sales tax was paid in the other State). It developed as a supplement to the sales tax as a device for avoiding payment of the sales tax by purchasing outside the State. Thirty-three States currently have sales taxes of 2 percent or more and all but one of these States also impose the use tax.

Whether the tax constitutes an undue burden upon interstate commerce is the primary question in determining the validity of a sales or use tax under the Federal Constitution. The Supreme Court has increasingly taken a permissive position regarding these taxes; but there are limits beyond which the States may not go in taxing interstate commerce.

Presumably, Congress could legislate in this field if it so willed.

Report III—Impediments to the Free Movement of Milk in Interstate Commerce

Three major categories of barriers to the free flow in interstate commerce of milk and manufactured milk products can be identified and are summarized below.

A. PUBLIC HEALTH STATUTES AND ORDINANCES

It is well known that many so-called health ordinances are based upon economic rather than public health considerations. The number of local health

ordinances, their widely differing requirements, the lack of any public health justification for many of them, and delays in inspection or refusal to inspect have combined to impede the free flow of milk in interstate commerce. These barriers have recently been expanding to include manufactured milk products as well as fluid milk.

There are three ways in which this problem can be approached. First, the States and localities can cooperate voluntarily in establishing uniform public health codes. The U.S. Public Health Service publishes—and periodically revises—a recommended milk ordinance and a code which explains the ordinance and describes satisfactory compliance. This Federal standard is only informational, but some significant progress has been achieved in promoting its voluntary adoption. The fact remains, however, that most States, counties, and localities have not adopted this standard, and it is extremely unlikely that voluntary cooperation will solve the problem.

The second manner in which this problem can be handled is to challenge the constitutionality of individual local ordinances. As a result of such efforts, it is now well established that health ordinances which are arbitrary and bear no reasonable relationship to the public health are unconstitutional. (See, e.g., *Dean Milk Co.* v. *City of Madison* (340 U.S. 349 (1951).) This approach suffers from two important defects, however: (1) lawsuits are expensive and few companies can afford to initiate and sustain them; and (2) there are so many local ordinances that a successful attack on one or a few of them accomplishes relatively little.

A third possible approach to the problem is Federal legislation prescribing uniform national health requirements for all milk shipped in or affecting interstate commerce.

B. STATE MILK CONTROL LAWS

A second kind of barrier to the free flow of milk and dairy products in interstate commerce is State milk control laws. These laws were usually the products of the depression; they were designed to regulate the marketing of milk from the producer to the consumer.

They usually created a State milk commission or an administrator charged with setting prices paid to producers and, in some cases, with prices paid at the retail level for the various kinds of milk or milk products. State control of milk prices has frequently led to regulations which impede the free movement and merchandising of milk. These regulations have taken the form of restrictions on the entry into the State of out-of-State milk and of restrictions on the entry of new distributors or the expansion of existing distributors. These purposes are accomplished by requiring licenses for producers and/or distributors and then restricting the issuance of such licenses.

Many of these laws have been repealed, but 17 were still in existence as of May 26, 1959. Some are being attacked on constitutional grounds; and all, presumably, would be nullified by Federal legislation regulating the marketing of all milk in or affecting interstate commerce.

C. FEDERAL MILK MARKET ORDERS

The third general category of barriers to the free movement of milk and dairy products is found in certain provisions of many Federal milk marketing orders issued under the Agricultural Marketing Agreement Act of 1937. Basically, the complaint has been that in the administration of the orders, prices have been set too high, thereby stimulating more than the adequate supply required by the act. Milk from areas which traditionally produce surpluses has thus been kept out of areas where Federal marketing orders have artificially stimulated milk production.

Report IV—Impediments to the Free Flow of Agricultural Products (Other Than Milk)

It is difficult to document abuses of a State's right to protect the health of its inhabitants by regulating the importation of certain agricultural products. This is partly because it is very hard to differentiate between measures which are necessary to protect the health, safety, and morals of the public and those measures which use governmental sanction to protect intrepreneurial inefficiency, to prevent growth through innovation, or which favor other undesirable monopolistic practices. Often there really is no precise line to be drawn between the two.

Perhaps the classic case is that of oleomargarine. The Federal tax was not removed until 1950; State restrictions, although declining in number and severity, remain in various forms. Some States still prohibit the sale of colored margarine. Taxation is used as a regulatory device. Labeling requirements vary widely, thereby complicating interstate sales.

Inspections of livestock are sometimes duplicated by several States and can become so burdensome as to impede their ordinary movement. Inspection fees are potentially capable of impeding interstate commerce.

There are laws for grading, packaging, and labeling farm products. In wholesale and retail markets much confusion is caused by the nonuniformity of grades and containers from different States.

In recent years, quarantine and inspection laws have become much more numerous. Quarantines, with their attendant inspections, are probably the most frequently encountered restrictions to the interstate flow of farm products. And it is the redtape, annoyance, delay, and expense associated with enforcement of quarantines which cause much dissatisfaction.

The administration of these laws can create additional problems. Bordering States may have similar or identical laws but the rules and regulations regarding their administration may vary widely. Some observers have concluded that the granting of wide discretion to the enforcement officers and action extending beyond statutory authorization has perhaps been more often used for protecting local products and enterprises from out-of-State competition than has purposeful legislation. Barriers may be easily and rapidly employed by administrative edict. This, coupled with their routine character in applications, makes difficult their discovery and correction. Moreover, in many instances where time is important, appellate procedure within the administrative body by no means insures that the unfortunate results of unwise or arbitrary action will be cured. The same may be said about cases where costs of court litigation would be excessive. The remedy of appeal is not, therefore, wholly adequate.

Report V—Transportation Barriers

Trucks and other commercial vehicles traveling interstate are subject to certain State-imposed requirements which vary widely and which, when imposed by more than one State, can operate as effective barriers to the flow of interstate commerce. These requirements can be categorized as follows: (*a*) licensing, (*b*) weight-distance taxes, and (*c*) size and weight limitations.

A. LICENSING

The question of which State or States should receive license (registration) fees from an interstate truck operator has been answered in different ways by different States over the years. Long-haul trucking is a rather new enterprise—beginning in earnest in the 1930's—but licensing practices have already undergone several periods of change.

Twenty-five years ago very few States granted reciprocity on registration fees. (Reciprocity is the granting of privileges by one State to vehicles or owners of vehicles when such vehicles are properly registered in another State that, in turn, grants similar privileges. It can be achieved by multilateral or bilateral agreements between States.)

Today, every State except Arizona grants reciprocity to vehicles "properly registered" in another State. (Even Arizona does not require full registration for out-of-State vehicles; it requires instead the procurement of certain permits.) But the definition of what constitutes "proper registration" has provided new problems. For example, in an effort to spread registration fees more equitably, the owner of a large fleet may want to register his trucks in the State where they are generally located. But his own State may not grant reciprocity to vehicles owned by a resident and licensed elsewhere. It was this problem which recently led 14 Western States to adopt an apportionment system for fleets of vehicles. The participating States prorate their fees on the basis of how much of the trucking for a given firm operates in each State.

Reciprocity has been set back in recent years by the introduction of new taxes called third-structure taxes which have not been reciprocal. (A third-structure tax is usually a weight-distance tax imposed on trucks operating within a given State. It is called third-structure because the older taxes—for licensing and fuel—were called two-structure taxes.) A few of the States which do not have third-structure taxes have retaliated against those that do by

suspending or canceling their reciprocal agreements on registration. This has not yet become widespread but it points up the precariousness of the whole system. Reciprocity is a fragile support for free commerce. It suffered severe setbacks during the depression and the temptations for States to impose new levies are increasingly great.

B. WEIGHT-DISTANCE TAXES

In an effort to raise desperately needed revenues and out of a conviction that trucks have a special obligation to pay for the construction and maintenance of highways, 10 States have imposed special high levies on trucks. (The relationship between the weight of trucks and highway damage has not been definitely established. It is a source of constant controversy between trucking organizations and advocates of higher taxation.)

These third-structure taxes can take several forms, the most prominent of which are the ton-mile and the axle-mile taxes. The ton-mile tax is based on a formula which takes into account the gross weight of the truck and the distance traveled. The axle-mile tax is based on a formula which takes into account the weight per axle and the distance traveled. The axle-mile tax is considered fairer to the large trucks which distribute their weight over as many as five axles.

The trucking industry objects strenuously to third-structure taxes. They believe the two-structure system (registration fees and fuel taxes) usually results in equity—especially if reciprocity can be made universal—and that it can be altered so as to extract from truckers a fair share of the costs of constructing and maintaining highways. They argue further that third-structure taxes require excessive recordkeeping—especially for small operators—and that they lead to tax evasion by false reporting, thus penalizing honest truckers. Finally, they are very disturbed by the effects upon reciprocity in registration requirements which have resulted from the imposition of such taxes without reciprocity provisions.

States which have enacted ton-mile taxes argue that a truck may travel thousands of miles outside the State in which it is registered or in which the company headquarters are located. A "bridge State"—one across which a truck travels in moving between two other States with interstate cargo—may find that trucks of foreign registry far outnumber the local trucks passing over its highways. This is especially true of a small bridge State.

It is easy to see why the weight-distance tax creates friction between States, as well as between truckers and States. New York incurred the ill will of all the New England States by imposing a weight-distance tax. New York lies between New England and the rest of the country. Similarly, Ohio's axle-mile tax created special tensions because of Ohio's key east-west location.

Weight-distance taxes are difficult and costly to administer. They lead to retaliatory action by other States, and they impede the flow of interstate commerce. For these reasons, most States have either refused to establish them or have repealed them. (Between 1937 and 1955, 11 States repealed weight-distance taxes.) But seven remain: New York, Ohio, Colorado, Nevada, Oregon, Utah (partial), and Wyoming.

C. SIZE AND WEIGHT LIMITATIONS

State-imposed size and weight limitations on commercial vehicles are by no means uniform and they constitute a significant barrier to the free flow of commerce among the States. Length limitations vary from 35 to 55 feet for ordinary trucks; from 35 feet to "not specified" for trailer or semitrailer trucks; and from 45 to 65 feet for tractor-semitrailer trucks. Axle load limitations vary from 18,000 to 22,400 pounds. Gross weight limitations for four- or five-axle tractor-semitrailers vary extensively.

A recent Department of Agriculture study pointed to the fact that a truck running eastward from Chicago would have encountered a different limit on weight in each of the States crossed on the most direct route: 68,000 in Illinois, 72,000 in Indiana, 71,600 in Ohio, 60,000 in Pennsylvania, and 65,000 in New York. A truck moving up the seaboard from a point in the South Atlantic States would have encountered the 50,000-pound limit in Virginia (allowed only on the better highways), the 65,000-pound limit in Maryland, the District of Columbia limit of 65,400 pounds, and the 60,000-pound limits of Delaware and New Jersey. Any truck traveling via Kentucky encounters the most severe limit in the Nation: 42,000 pounds for any combination and this only on designated highways.

In addition to the diversity in State laws limiting size and weight, there are also considerable differences in the enforcement policy among the States. Some enforce the limits rigidly; others do not. Some establish permanent ports-of-entry installations; others do not.

Truckers complain about delays which result from crowded weighing stations. They also complain that scales are not uniform.

There are other problems involved in interstate trucking. Several States require the purchase of rather inexpensive permits in lieu of license plates. Fifteen States require that an amount of fuel equal to that used in a given State must be purchased therein. But these do not appear to be major barriers to interstate commerce.

Senator McCarthy. That concludes the testimony which I wanted to give.

Representative Fountain. Thank you, Senator.

Senator Muskie. First of all, I would like to say I very much appreciate your statement this morning, Senator.

And I may say, your statement was a philosophical contribution to the deliberations here that I think is most useful and necessary.

I would like, if I might, to get your comment—because I always enjoy your observations—on this particular problem which I think is the subject of this legislation. You stated very well at the outset of your remarks, and made very clear the point that State and local governments are in a constant state of flux, under direction from legislative bodies and State and Federal Governments which are giving positive direction.

Direction changes from time to time within given States and on the Federal level, and results in an almost kaleidoscopic movement. Intergovernmental relations is really a form of government which is not given this kind of positive direction. It sort of grows "like Topsy." It is our hope, of course, that this Commission might, in a sense, give it that kind of direction which would enable the American people through their various levels of government to coordinate the three levels of government.

Now, do you think that this would be the result?

That you would get a positive direction to intergovernmental relations which would operate to really establish a coordination between the various levels of government?

Senator McCarthy. Well, I think that you could certainly obtain that in a number of areas. The one which I am perhaps most familiar with is that of taxation.

I would note particularly in this respect the comment of Justice Frankfurter who dissented in the recent Supreme Court case known as the Minnesota case. It related to the taxation of corporations doing business in a State—that is, the portion of the business of corporations involved in interstate commerce which was carried out in a particular State. On this point Justice Frankfurter said:

The problem calls for solution by devising a congressional policy. Congress alone can provide for a full and thorough canvassing of the multitudinous and intricate factors which compose the problem of the taxing freedom of the States and the needed limits on such State taxing power.

I think we have examples which show this can be done. In the Federal inheritance and estate tax the general tax is laid down but it has been so drafted that the States are able to accommodate their own inheritance or estate tax to the Federal program.

It is my opinion that we could extend this procedure into many other fields of taxation for excise taxes in some cases and possibly also, as a number of tax experts have recommended, even in the field of income tax. We have not really made a beginning, it seems to me, in the effort to coordinate and to interrelate State and Federal taxes.

Senator MUSKIE. Do you think it is possible to allocate tax sources and tax methods to the point that each level of government will have exclusive areas?

Senator MCCARTHY. I think there are some areas which perhaps can be set off as exclusive domain, but it is my opinion that the more successful efforts will be in the way of a sharing of tax sources, rather than a barring off and labeling certain areas for the States and certain areas for the Federal Government. The whole movement of trade and commerce in the United States is in the direction of being more comprehensive and of transcending State lines.

Senator MUSKIE. A great many people in this country are opposed on philosophical and other grounds to sales taxes. Do you think that sales tax is a form of taxation that should be avoided by all levels of government?

Senator MCCARTHY. Not necessarily so. There are several arguments to be made for the sales tax. I suppose principally there is the argument of the ease of collection and for State and local governments this is a significant consideration.

In addition to that a sales tax which is properly assessed can in large measure follow the principle of progressive taxation. It is really a question of what is taxed and how it is taxed?

To say that a sales tax in itself is to be condemned, I would say, is an extreme position. I am generally opposed to Federal sales taxes in the traditional definition of the sales tax, and I am of the opinion that this is a tax which can best be left to the States and to the municipal governments though not necessarily exclusively so.

Senator MUSKIE. This legislation also, in its statement of purposes, suggests that the Commission should address itself to emergent public problem which ought to have or which might require governmental action on some level.

One of the current ones which in the opinion of some of us emerged long ago but which, in the opinion of others has not emerged yet, is the problem of adequate governmental support for education. How would you view the function of this Commission with respect to something like that? Would you consider that before governmental action is taken on the Federal level, for example, that this Commission ought to address itself to the problem and develop positive recommendations for action?

Senator MCCARTHY. Well, I think certainly the field of education, as well as the whole field of welfare, would be within the jurisdiction and should be the concern of this committee. It would be particularly true of the question of financing these programs.

Representative FOUNTAIN. Mrs. Dwyer?

Representative DWYER. No questions.

Representative FOUNTAIN. I am sure there are many questions all of us would like to ask you, Senator, because of your wide experience. But due to the limitation of time and the fact that other witnesses are waiting, we will necessarily have to limit ourselves.

There is one question I will ask you because I think it will be fundamental in our deliberations.

You will note the bill provides that the President shall appoint some members from panels recommended by the two municipal associations, the Governors' Conference, the Council of State Governments, and the National Association of County Officials. The question was raised this morning as to whether this procedure is as advisable as simply authorizing the President to make these appointments in consultation with the State and local organizations named.

Have you had an opportunity to think about this provision sufficiently to express an opinion on it?

Senator McCarthy. I would have to take a kind of divided position on this, in view of what the Senate did last night, and say we ought to negotiate a settlement of some kind. I do not think it is of great consequence in the approach to this particular problem. What will come of the work of this Commission will be in the nature of recommendations. These recommendations will be based on testimony which will have been well publicized. We will have to move on from the work of this Commission to the various legislative committees of the Congress at which time we could, I hope, set right anything that may have gone awry.

Representative Fountain. The point was raised because of the desire of all of us to have a Commission that is as representative of all levels of government as is possible.

Senator McCarthy. That should be the object.

Representative Fountain. Any other questions? [No response.]

Thank you, Senator, for a fine statement.

Our next witness is the distinguished mayor of Seattle, Wash., Mayor Gordon S. Clinton.

We are very happy to have you with us, Mayor Clinton, and are looking forward to hearing your statement.

STATEMENT OF HON. GORDON S. CLINTON, MAYOR OF THE CITY OF SEATTLE, WASH.

Mayor Clinton. Thank you, Mr. Chairman.

Mr. Chairman, members of the joint committee, my name is Gordon S. Clinton. I am mayor of the city of Seattle, Wash., appearing here before you today both in my capacity as mayor of Seattle and on behalf of the American Municipal Association on whose executive committee I have the honor of serving.

The American Municipal Association is, as you know, the national representative of approximately 13,000 municipal governments throughout the United States and Puerto Rico. It is organized on the basis of affiliation with the State Leagues of Municipalities in 45 States plus 225 direct member cities.

Cities eligible for direct membership must have a population of 50,000 or more, or be a State capital or one of the 10 largest cities in the State.

The AMS's support for the creation of a permanent Commission on Intergovernmental Relations is of long standing.

I believe that the original resolution passed by our membership was introduced in 1954, and has been a part of our national municipal policy since that date.

We support the creation of a permanent Commission for several very important reasons. The principal one of which is the fact that the existing state of intergovernmental relations is notably poor and that, so far, attempts to promote improvement have been distinguished by failure or inability to come to grips with the problem.

As I believe the members of this committee have heard at considerable length and with some repetition perhaps, the whole governments of this country are not on particularly good terms with the governments of the respective States. Part of our problems with the States stem primarily, I believe, from the fact that they, for one reason or another, are unaware of or not particularly interested in the nature and extent of the real problems being faced by the urban areas.

In fairness, it must be admitted that they, on the State level, are preoccupied with what they consider problems equally as pressing at the State level. And former Governor Muskie will certainly echo that, I am sure.

It is, I am afraid, also true that the States find urban problems complex, not amenable to easy or inexpensive solution, and therefore prefer to let the local governments go it alone.

As I think you well know, municipal governments generally prefer to deal with the Federal Government because they find it more sympathetic and responsive to urban needs. But even dealing with the Federal Government they encounter a general inability to completely comprehend the real scope of the total urban problem, and a somewhat disturbing lack of appreciation of their fiscal and administrative limitations.

We honestly believe that our problems are not fully understood nor fully appreciated at either the State or Federal levels and we certainly welcome any sort of organization which could make our problems real and compelling to the States and to our Federal Government.

Secondly, we support the creation of the Commission because by the enactment of this measure, we will have achieved on the part of Congress and the President formal recognition that good intergovernmental relations are essential to the competent conduct of government in general.

Thirdly, a Presidential Commission with the considerable prestige that attaches to such groups provides an open forum of the kind needed to objectively analyze and discuss the functions and responsibilities of the various levels of government in the solution of problems posed by continued and accelerating population growths and urban expansion.

Fourthly, because the Commission proposal recognizes the need for equitable, responsible, and knowledgeable representation on the part of all levels of government, and I believe that is the sense of the distinguished Representative Fountain and one of the sponsors of this bill—an awareness of that, we feel, that the conclusions reached as a result of its deliberations will enjoy considerable acceptance on the part of all levels of government. Much more I might add than has been possible through the action of any committee or other ad hoc group established to carry out functions of the kind assigned by the bill to the Advisory Commission.

Finally, we believe that all levels of government should studiously and conscientiously pursue all possible courses toward the development of better and more efficient government. For, after all, that is the task of all, whether it is on a local, State, or National basis.

We are convinced that one method of securing this objective is to develop more harmonious relationships between States and Federal Government and the municipalities.

We believe that under our Federal system the fullfledged and continuing cooperation of all levels of government is mandatory. We believe it to be essential to our future as a Nation.

We also very firmly believe that the problems and areas of interest to be discussed and analyzed by the Commission must be approached with a reasonably open mind and on the basis of the realization that never in the history of our Nation have we faced the kinds and types of problems that our urban growth and development pose for us today. When we realize that almost two-thirds of the people of the United States are living in some 18 or 20 of the large metropolitan areas and that they are part of the exploding metropolis that we are all keenly conscious of, particularly those who work most directly on the local level.

I am certain that we can effect better intergovernmental relationships, that we can encourage and promote realinement of functional responsibilities at various levels of government, that we can do some within the broad framework of government laid down by our Constitution. And in so doing, be secure in the knowledge that our democratic process and individual freedoms need never be violated in the course of our work.

Representative Fountain. Thank you very much, Mayor Clinton, for your very significant contribution to the work of our committee.

Senator Muskie?

Senator Muskie. I have just one question that I would like to ask Mayor Clinton. At the outset I join Congressman Fountain in expressing appreciation of your statement. There are other questions I would like to ask but time is fleeting.

One question I would like to ask is this: One of the objections which occurs from time to time in the course of these hearings on the bills is the size of the proposed Commission. It is suggested that it would be too cumbersome and because of the fact that it cannot meet on a continuing basis, that it might not give the positive and continuing direction that the work of the Commission should have.

Of course, one of the reasons why it is so large is in order to give broad representation.

Mayor Clinton. Yes.

Senator Muskie. What would be your reaction to a suggestion that has been made that the Commission itself ought to be composed of three people representing each of the three levels of government and advised by the committee which is broadly representative in its makeup?

By asking the question I am not suggesting any personal reaction to it. I simply inquire as to yours.

Mayor Clinton. As you have aptly stated, part of the sense of this proposed legislation, as I see it, is to provide adequate representation on all levels of the government, and likewise as has been pointed out, the status and prestige involved of a Commission, that is inescapable,

I think we are led to that. The thing we would have to ask, in view of the problem you point up, which is a real one—because here you are calling on, for example, mayors and representatives of States, Governors, and county representatives, and there would be a need for continuing action—part of the problem is maybe a physical one. I am not satisfied just in my first reaction that a three-man commission would have the breadth that I think we would want if we were to acquire commission status.

It just seems to me, that is my first reaction, that there is a need for the President to be in on this, there is a very definite need for Congress to be aware of it. The one without the other in my judgment is not satisfactory. There is a need, yes, for the State; and this goes to the point of another level of government, the county and the municipalities with the U.S. Conference of Mayors and American Municipal Association submitting a panel from which several would be appointed.

In specific answer to your question maybe 24 might be unwieldy, but I think it should be more than three, otherwise I do not think we get the broad dissemination of support and understanding, perhaps, that we are seeking in such a permanent commission as this. That is my best impression, Senator.

Senator MUSKIE. I would agree with you wholeheartedly that we must have a sense of participation by all three levels of government, that State and local governments should not be made to feel that this is simply another Federal agency.

Mayor CLINTON. That is right.

Senator MUSKIE. Which will give pious attention to their opinions and judgments and problems, but continue on its own. I agree with that wholeheartedly. I do not know how you can resolve this problem perfectly. I do appreciate your comments. Perhaps 6 or 12 might be better.

Thank you.

Representative FOUNTAIN. While taking testimony in our regional hearings, we did not have this particular legislation in mind. It is, rather, an outgrowth of the testimony which we received throughout the country. One of the things we frequently heard, particularly from city representatives, is that the point or points of view of local government are not always represented or adequately understood when public commissions study intergovernmental relations. And we found some differences of opinion as between the representatives of large metropolitan areas and those from smaller communities. And we noted the same thing with respect to the counties, where you have metropolitan counties as well as rural counties. The representation of these differing viewpoints at the local level alone makes a very small Commission impractical.

Moreover, if the Advisory Commission is to function effectively, I can well envision the necessity for its working through subcommittees so that certain problems will be studied by a few members of that Commission on a continuing basis.

And that is another reason for a larger commission than we might normally prefer.

I would like to ask you one other question. Which procedure do you think is preferable: appointment of members by the President

from a panel submitted by the various levels of government through their organizations, or appointment by the President in consultation with and upon the advice of these various organizations?

Mayor CLINTON. I would concur with the statement made by Senator McCarthy. I do not think it makes too much difference. I would not labor the point, actually, but I do feel that the important part is to see to it that the executive branch and the legislative branch, together, are aware that there is not a hiatus that exists, that, for example, if Congress is aware of something that is not reflected in the executive branch and vice versa, there may be a void that exists, and something less than the complete rapport and understanding that we seek to accomplish by such a bill as you could sponsor.

Representative FOUNTAIN. One witness said this morning that he thought it possible that the various organizations might find it embarrassing to select the panel of members from which the President would make the appointments.

Mayor CLINTON. I think that could be resolved and worked out, actually.

Representative FOUNTAIN. Mrs. Dwyer.

Representative DWYER. No questions.

Representative FOUNTAIN. Any other questions? (No response.)

Thank you very much. If you have any supplementary suggestions which you would like to submit to the Committee for the record and for our study, we will be happy to receive them. I want to say that we are not wedded to any particular word or phrase or sentence of this bill; it is simply the best that we have been able to work out after very careful study and deliberation.

However, if it can be improved upon in the interest of accomplishing the purposes of the legislation, we certainly want to do so. I am sure that is the feeling of Senator Muskie and Mrs. Dwyer and other members of this committee as well.

Thank you very much.

Mayor CLINTON. Thank you.

Representative FOUNTAIN. Our next witness is a very distinguished Member of Congress, Representative Harold C. Ostertag, of New York. I might say that Congressman Ostertag has had much experience in this field of intergovernmental relations. He served as a member of the Kestnbaum Commission and also served as chairman of the Joint Legislative Committee on Interstate Cooperation while a member of the New York State Assembly.

Congressman Ostertag, I want to add, was very helpful to us when he appeared before our Intergovernmental Relations Subcommittee 2 years ago, before we embarked upon our field hearings on the subject of Federal-State-local relations.

We are very happy to have you with us, Congressman, and I feel sure you will make a substantial contribution to these hearings.

STATEMENT OF HON. HAROLD C. OSTERTAG, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Representative OSTERTAG. Thank you very much, Mr. Chairman.

Mr. Chairman, first of all, I want to congratulate you and your committee for moving ahead in this important field of intergovernmental relations.

I appreciate very much this opportunity to appear before your committee to discuss this important field and the important aspects in relationship to it.

As you have pointed out, I have been interested in improving intergovernmental relations for a great many years, in fact, the majority of my years of public service. Before coming to Congress I served 19 years in the New York State Legislature and during most of that time I had the honor and privilege of serving as the chairman of the New York Joint Committee on Interstate Cooperation.

I was instrumental in the formation of the Council of State Governments and served for many years on the council's board of managers and I think the distinguished Senator is very familiar with the work of that board and that one of the first pieces of legislation that I introduced when coming to Congress provided for the creation of a Commission on Intergovernmental Relations.

As you may know, when this Commission was created, back in 1953, it was my privilege to serve as one of its members.

In all my efforts I have been anxious to strengthen State government and make it more effective, to facilitate interstate cooperation, and to improve and coordinate relations among all of the levels of our government.

Basically, I believe in keeping government as close to the people as possible. I believe that the public services in our Federal system should be decentralized as much as possible but consistent with the maintenance of responsible and effective government.

I therefore am sometimes dismayed by the trend of thinking here in Washington that it is only the Federal Government which has the answers to the many problems which face our people today.

There seems to be a growing acceptance that the States and local communities will not or cannot do the job which is necessary.

I fear that the result of this Federal attitude may tend to make the States sit back and wait more and more for the solutions of their problems. But the facts are that the States can and have been meeting the responsibilities which are theirs.

As evidence of this we might consider the amount of funds which have been expended for Government at all levels during the past 10 years.

During that time expenditures of States and local governments have more than tripled while the expenditures of the Federal Government have doubled during the same period of time. If we disregard the defense requirements of the Federal Government, these expenditures are not even twice their former amount.

Surely, that is evidence that the State and local governments can act if permitted the freedom and opportunity.

What the State and local governments need at this time is more encouragement and guidance. They need in many instances a revision and streamlining of their constitution to broaden the taxing powers and to provide clearcut lines of authority.

Many States are in a constitutional straitjacket today with their fundamental laws as outmoded as Noah's Ark. They should have better and more complete information on Federal programs which have a direct effect in the State and local communities.

Now, our Federal system of government is a wonderful system which has never been surpassed anywhere in the world. But the influences and movements which operate upon it are constantly changing.

In fact there is nothing more certain within our Federal system than that of the constant changing in the relationships among its several levels of operation.

For example, the unprecedented growth which our country is experiencing is bringing amazing changes. There are 28 million more Americans today than there were 10 years ago; in another 10 years our population is expected to exceed the 200 million mark. The American people are on the move as never before and they are reshaping our communities and cities as a result.

We have changed from an agrarian to an urban nation. In the last 10 years, 12 million people have moved to the suburbs. America is bursting out at the seams. This is the greatest population movement in our history.

Now, on the former Commission on Intergovernmental Relations, the so-called Kestnbaum Commission, we concluded exhaustive studies in a great many areas of intergovernmental relations. There was not agreement on all of our findings but one thing on which we did agree, was that there was a definite need for continuous study and observation of intergovernmental relations in this country. Some felt that this could best be done from an office in the executive. Others felt that a broader independent commission would be more suitable for the purpose. So, while there may be various vehicles for carrying out this work, I feel that the bills which are being considered by this committee are a step in the right direction.

The aims of the Commission which is proposed are very sound and worthy of attainment. I note that this is to be an advisory commission, but I would hope that this committee would consider more measures for translating the advice and recommendations of such an advisory commission into concrete results.

One of the disappointing features of the valued and outstanding work of the Kestnbaum Commission has been the failure to obtain significant improvements based on these recommendations. I am disturbed in the realization that so often we establish guidelines for intergovernmental relations based on the principles on which our Republic was founded, yet the trend seems to be to ignore these objectives and march off in the opposite direction.

We who are close to this field know that there is a great deal of improvement necessary in intergovernmental relations in order to keep our Federal system strong and healthy. There could be a meaningful review in the fields of taxation, public assistance, management of public lands, law enforcement, sedition, education, and, in fact, in the entire field of Federal grants-in-aid.

My interest in this field, of course, has also extended to somewhat similar legislation which I have introduced in this Congress. I am referring to my bill, H.R. 2416, to create a Commission on Metropolitan Problems and Urban Development. As I said earlier, we have changed from an agrarian nation to an urban one. More than two-thirds of our people now live in metropolitan areas, and this proportion is increasing. In fact, a new word, "megalopolis," has been

introduced into our language to describe the tremendous concentration of metropolitan areas. But I believe that my bill and those which are being considered here today represent different approaches to different areas of this problem and might be considered complementary rather than conflicting.

Of course, with any of these proposals we must face the reaction which can be expected to the creation of another commission. But when a good cause is to be served, as in this case, I think this is an obstacle which can be overcome by logical and sound explanations.

Certainly there is a continuing need for machinery in our governmental structure to provide the guidance and the balance essential to strengthening our system of government. The creation of a continuing commission on intergovernmental relations, in my judgment, makes possible such machinery and provides the means for the necessary followthrough which is so important to the very objectives we seek.

Once again I want to express my appreciation to you, Mr. Chairman, and to the members of the Joint Committee on Government Operations, for the opportunity to express myself on this important subject, and I want you to know I join with you in your objective.

Representative FOUNTAIN. Sometimes Members of Congress are quite sensitive to an attempt on the part of any organization to tell them how to legislate, and we have drafted this legislation so that the Commission would not in any way infringe on the responsibilities of the Congress. But it seems to me that there is substantial merit to the suggestion which you have made, and which others have made, that if this Commission is to function effectively it ought to have the authority to make recommendations so as to facilitate implementation of its studies.

I would like to call attention to what you have already pointed out—that several bills are now before the Dawson subcommittee of the House Committee on Government Operations (including H.R. 2416, which you introduced) for the purpose of creating a temporary Study Commission on Metropolitan Problems and Urban Development.

These bills, as I understand it, are primarily concerned with the formulation of national guidelines, relative to local government structure and revenue policies, adequate to insure sound and orderly growth in our rapidly expanding metropolitan areas. This unquestionably is an important problem and one to which the subcommittee has given some attention in the past. It is evident from the subcommittee's investigations that study and planning are vitally needed and should be encouraged to assure the healthy growth of our dynamic urban and metropolitan centers.

Without passing on the merits of these bills presently before the Dawson subcommittee, I want to point out that as I see it there is no conflict, as you have said, or substantial duplication between the purposes of these bills and the bills with which we are concerned in these joint hearings.

The various bills for a commission on metropolitan problems contemplate a temporary body to conduct a specialized and intensive study. By contrast, the Advisory Commission on Intergovernmental Relations would have the continuing responsibility for reviewing the overall pattern of relationships in our Federal system with a view

toward finding the optimum balance at any given time between the levels of government. By the very nature of its composition, the Advisory Commission should be a valuable instrument for promoting better understanding, which we discovered is so desperately needed, as well as more effective action in dealing with those problems which are the common concern of Federal, State and local government. Its goal would be to encourage cooperation rather than competition and discord among the levels of government.

While the Advisory Commission's broad assignment of responsibility will neceessarily overlap to some extent the specialized area of study which might be assigned to a commission on metropolitan problems, I believe that to whatever extent there is an overlap, it would be relatively small and any duplication could easily be eliminated by cooperation between the two groups in the event the metropolitan study commission is created. Do you agree with that?

Representative OSTERTAG. I wholeheartedly agree with you.

You have stated what I believe to be so and you have stated it well.

Representative FOUNTAIN. Thank you. Senator Muskie.

Senator MUSKIE. I want to say also I appreciate your coming here, making your statement and contributing to our thinking in this field.

I am delighted as is Congressman Fountain that you touched upon this point of how do we get results with this kind of Commission. I think it is a curious and interesting thing that people who would disagree violently with each other as to what functions are to be performed by these various levels of government are joining in the support of this legislation. I take it that each of these groups feels that the studies which would be made by this Commission would prove their case. It may or may not, but at least this diverse support indicates that we have too few answers to the problems of intergovernmental relations. If the answers indicate that the Federal Government ought to be doing more, we can accept them. If they indicate the Federal Government is doing too much, we can accept that, too.

It must have been an interesting experience to serve on the Kestnbaum Commission.

Representative OSTERTAG. Yes, it was a fine experience. And it was not only a fine experience but it brought into focus many of the complex problems that have developed since the inception and the founding of this great Republic of ours. Being realistic to the changes and the need for strengthening our whole system and the intergovernmental relations is recognition of a real challenge. The thing that I am disturbed about more than anything else is the fact that we all accept and recognize these fundamentals and these basic changes. Yet we seem, as I said earlier, to march off in the opposite direction. I believe a continuing Commission such as you propose could not only serve as a guide toward recommendations and the strengthening of these relationships, but act as a sort of a watchdog in preventing the things that ought not happen.

In connection with the problems of our cities or our urban and metropolitan problems, it is true that this is an exceptionally growing problem, but a continuing commission such as is proposed here would be more or less a permanent day-to-day, year-to-year study and functioning agency. On the other hand, a temporary commission

dealing with urban development and metropolitan problems could and should be on a temporary basis, sufficient to the extent necessary to provide the guidelines essential to meeting this problem which is here today.

I concur with the statement of the chairman that they are not in conflict but complementary to one another in their objectives and in their necessity.

My experience and membership on the Kestnbaum Commission was in keeping with my activities while in the New York State Legislature and in the Council of State Governments, and I want to say to you, Senator, and to the members of the committee, that there are many people who regard these matters are basically one of State rights. I do not share that conviction, nor do I believe we should approach the problem on that basis. I never have felt that we should consider intergovernmental relations strictly on a fundamental question of States rights but rather on the basis of States responsibilities. I think it is essential to find out how we can strengthen the States and their communities, how we can work together and overcome some of the complexities that are here by way of new developments and new growth. During my tenure in the State and interstate fields, we were a party to the creation of many interstate compacts, several of them involving your State of Maine. The New England Pollution Control Act, the New England Forest Fire Compact, the Interstate Sanitation Commission, and many other interstate agencies have been created as a result of interstate cooperation to coordinate the States in meeting common problems.

There are many reciprocal agreements that have been entered into in years past, and many uniform laws adopted.

It seems to me that in many respects this commission could and would provide the guidance necessary in the many fields requiring intergovernmental relations. Through better understanding and coordination many of these vexing problems can be met on the State and local levels and thereby ward off the rapid trend toward centralization of power and responsibility in the National Government. The stronger the Federal Government becomes, the weaker our system of government under our Republic grows.

So it appears to me that on the one hand we not only have new problems and new responsibility, but if we are concerned with the very foundation on which this Republic has been conceived and grown and become great, that we have a challenge here even greater than we ourselves suspect.

Representative FOUNTAIN. I want to announce, Congressman, that we have had a quorum call in the House. You have given us some very fine supplementary testimony in addition to your statement, and we certainly appreciate your thinking on this subject. Thank you very much for coming.

Representative OSTERTAG. Thank you.

Senator MUSKIE. We will take a short recess, but before doing so, I will read this into the record.

Mayor Wagner of New York planned to be here personally to testify, but recent developments in the strike of hospital employees in New York City make it impossible for him to be here today. His legislative representative, Mr. Bernard Ruggieri, was here earlier to

present Mayor Wagner's statement, but he had to leave to meet a plane schedule.

We will include a copy of Mayor Wagner's statement in the record.

(The statement of the Honorable Robert F. Wagner, mayor of New York City, is as follows:)

STATEMENT OF HON. ROBERT F. WAGNER, MAYOR, NEW YORK CITY, ON BEHALF OF THE U.S. CONFERENCE OF MAYORS

Mr. Chairman and members of the committee, my name is Robert F. Wagner. I am mayor of New York City. I appear here today on behalf the U.S. Confereuce of Mayors of which I am the immediate past president, to support the enactuent of S. 2026 and its companion measure, H.R. 6904, which would establish an Advisory Coumission on Intergovernmental Relations.

A permanent Advisory Commission such as proposed in the Fountain-Dwyer-Muskie bills would for the first time establish a statutory forum for the discussion of Federal, State, aud local problems. We in the U.S. Conferencc of Mayors are indeed pleased that the proposed membership of the Commission would include at least four mayors, aloug with the other categories of public officials and private citizens set forth in the bill. The inclusion of local government officials in the membership of the Commission will fill a loug neglected ueed. Iu recent years the critics have not had an official spokesman at the conference table when intergovernmental affairs were being discussed. As a result decisions were reached which had impact upon the cities without prior consultation with them.

We need to encourage understanding aud cooperation between all levels of government, Federal, State, and local. It is in the belief that the Fountain-Dwyer-Muskie bills would encourage such understandiug and cooperation that I come here today to endorse them.

I know that the members of this joint hearing committee are aware of the increasingly complex problems wc in city goverument face. You gentlemen have had hearings on the problems of intergovernmental relations in various cities throughout the country. You know that there are areas of misunderstanding or conflict between the city and State governments. You know that there are many in city government who feel that the States do not understand our problems and because of underrepresentation of our urban populations, that the States are not likely to act to effectively meet the problems of the city. By the creation of a permanent Advisory Commission on Intergovernmental Relations you will not by that act solve our problems but you will provide a ueans by which many of them cau be discussed, examined, and understood by public officials, Federal, State, and local, and such discussion, examination, and understanding is a necessary first step toward the solution of our problems.

Senator MUSKIE. We will recess until the Members of the House attend to their pressing duties.

(Whereupon, the subcommittee took a short recess.)

Representative FOUNTAIN. The committee will come to order.

STATEMENT OF HON. JOHN R. FOLEY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND

Congressman John R. Foley, from the great State of Maryland, will present our next very distinguished witness. Congressman Foley.

Representative FOLEY. Mr. Chairman, Senator Muskie, Congresswoman Dwyer: It is my genuine privilege for the first time since I have been down on Capitol Hill to present one of my constituents before a committee, and I am particularly honored to present the witness who is going to appear before you now. He is Saul Stern.

A recital of his constructive political efforts would take a great deal of time so I will just hit a few highspots. Mr. Stern is presently the mayor of the village of North Chevy Chase. He is the chairman of the Montgomery County chapter of the Maryland Municipal League. Just this past week, the Governor of our great State, Governor Tawes, appointed Saul as a member of the Maryland State Planning Commission.

We are very proud of Mr. Stern. We respect his views highly and we respect his dedicated political effort and his governmental activities even more highly. So I am very honored to present and introduce to you Mr. Saul Stern.

Representative FOUNTAIN. Thank you very much. We are delighted to have you with us, Mr. Stern. I saw in the Evening Star where the Governor was trying to find you so he could get you to serve on that Commission.

STATEMENT OF SAUL I. STERN, CHAIRMAN, MONTGOMERY COUNTY CHAPTER, MARYLAND MUNICIPAL LEAGUE

Mr. STERN. I am certainly very appreciative of the opportunity to appear here before this very august body. I want to thank Congressman Foley for all of the extremely kind words that he said about me and I only hope I am worthy of them.

Incidentally, Mr. Chairman, the Governor did find me, but he was not really seeking me that hard. I was just as happy to accept the post as he was to give it to me.

I am here representing the Montgomery County Chapter of the Municipal League as its chairman. There are 16 municipalities which are members of this particular chapter and we represent approximately 100,000 persons, which is about one-third of the country's population.

However, I think the important issue resides in the fact that we are a part of the vast metropolitan complex of the Washington area. And in my opinion we probably represent as solid an example of the need for extraordinarily good intergovernmental relations as any area of the country. There is the Federal city under the rule of Congress; there are two States, Maryland and Virginia; and there are five counties, all within the complex. I represent 16 municipalities; and in neighboring Prince Georges County we have 27 more; that is a total of 43 municipalities. I cannot speak from knowledge of the number in Virginia.

However, I think that the presence of someone like myself is really vital to testify in need of such a study. As your chairman has said, there are a number of different approaches and attitudes involved and I think perhaps I represent an important approach since I speak for cities substantially below 25,000. Our largest city in the league chapter is approximately 25,000.

A good many of us in municipal government feel like Alice looking in the looking glass, when she said things are not what they seem to be. They are not what they seem to be, because there is a great deal of confusion which surrounds the services, the duties, and the responsibilities which are imposed upon us and which we, or other governmental agencies, are or should be performing.

Now let me illustrate. I have just returned from the annual conference of the Maryland Municipal League, comprised of roughly 187 municipalities. The gnawing and incessant theme of talk among the mayors and the councilmen related to what are their duties and responsibilities, and wherein do they have jurisdiction over this and that problem? Of course the one that is most pressing at the moment is our need for a greater share of the tax dollar if we are going to provide and perform certain services.

But the problems of roads, transportation, water, water pollution, and sanitation were discussed, and I could go on ad infinitum with the myriad other problems that arose during the course of our discussions. However, it essentially resolved down to who does what. Is it the role and function of the Federal Government, the State, or the county was often asked about specific issues being discussed.

There is currently talk about abolition of this level of government or of that level of government. I do not think this is a criteria nor an answer. I do think what we need do is to sit down and discuss our common problems. We need to establish strong lines of communications between all levels of government.

And I hope when this Commission is set up that there will be recognition, for example, on the municipal level of the smaller cities as well as the larger urban communities to engage in such discussions.

But if we do sit down and talk about these problems we can ascertain what they are as oftentimes we do not know their nature. Problem recognition is one of the pressing issues that faces us.

Now, for example, with regard to some of the intergovernmental problems in the Washington area I would like to cite three instances which come to my mind. I think with the Washington Area Metropolitan Conference we have taken a long step forward. I do not think this is the answer, in part or in whole, of what you are attempting to do in this committee. It is but an example of achievement for from this conference has emerged an interstate compact in mass transportation.

Granted that this may be a halting and faltering beginning, it is nevertheless an important one. I think we can all agree upon that. First of all, the problem was recognized, then talked about, and finally some action was taken relative to it.

Another problem which besets us here in the Washington area—and I am certain this is true wherever there are large Federal Government installations—is the one relating to school funds for impacted areas. This is one requiring considerable discussion because there is a tremendous amount of confusion surrounding the particular problem.

I would like to reduce the next problem to the two of the lower denominators of government. It is one which we partially settled on a county-municipal level. We first recognized our problem and then went to work to remove suspicions, accusations, mistrusts, doubts, and recriminations. Under the aegis of my chairmanship of the Montgomery County Chapter of the Municipal League, the counties had a very difficult problem relative to the maintenance of joint county-municipal roads. Nothing had been done by some of our member municipalities over a good many years. The sores were quite deep and they did not seem to be healing at all. We got the county council and ourselves together and talked about the problem. Then the municipalities set up a study committee which made recommendations upon which we are now taking action. But the important point is that we established lines of communication. We further established a mechanism for the solution of a problem. But we had to recognize what our problem was before we could do so. Which leads me to the point that this particular Commission should be working out these areas of responsibility and it would ultimately be determining what

levels of government could best provide for the handling of certain services. There would be a clearer, a more coherent specification of functions, duties, and responsibilities. There is a crying need now for the reappraisal and redistribution of the role of each political subdivision.

At our conference our principal speaker was one of your eminent colleagues in the Senate, Senator Muskie. He was the distinguished Senator from Massachusetts, Hon. John F. Kennedy, and he had this final remark to say:

> * * * Congress will not yield vital public functions affecting our Nation's strength to uninterested, unresponsive, and unrepresentative State and local governments.

I think this is not the truth. I believe that those of you who have been in contact with State, county, and municipal officials can agree that the vast majority of these elective and appointive officials are very dedicated and devoted public servants. I believe a great many of the problems, a great part of the inaction, arises from the fact that these particular officials are confused, and they have no course or direction because they are truly bewildered by the complexities of our population and physical growth. And of course all of us who are public officials are staggered by the spiraling costs of government. We wonder where the dollars are going to come from to provide the increased demands of service which our population is insisting upon. And I think that if this Commission is set up—and I am most hopeful that it will be—and if it sits down to determine the roles, functions, duties, and services that the various levels of government should perform in light of these constant changing conditions imposed by growth, that we will have made a real step forward to the solution of the financial as well as a good many of our other problems.

I think we need to have representatives of the Federal Government, and representatives of the State, county, and municipal governments sitting down and discussing these problems together. We need, however, first of all to determine what our common problems are. We should study at a very early stage the emerging problems. We must come to a recognition of the problems and issues which we must face in the future because of the growth which proceeds so rapidly apace for us in this country.

Then I think there should be positive recommendations in accordance with our Constitution and our Federal system, and therefrom could result a reallocation of functions and responsibilities among the various governmental hierarchies.

Of course I am concerned about—as I said earlier—about the recriminations which exist among the various levels of government because I believe there is a need for existence of all. If our Federal system is to be workable, if it is to be vital, and if it is to be continued on a strong and firm basis, then we must have this sort of study. But we must have survival of all systems of government. It is my firm belief that as long as people participate in government at all levels that we will have a very strong, vibrant, and a really meaningful democracy. And I am most hopeful that the Commission on Intergovernmental Relations will set up on a continuing basis. I think it should be established now and should be placed on a permanent basis.

Members of the committee, I want to thank you for an opportunity to appear before you and to testify in behalf of our Montgomery County chapter of the Municipal League.

Representative FOUNTAIN. Thank you very much for your valuable contribution to our work. You emphasized one point which came to my mind repeatedly during the course of our regional hearings, as I heard witness after witness testify about the problems of his respective level of government. And that is the necessity of establishing lines of communication. In other words, if the representatives of the various levels of government can get together in a cooperative spirit and understand each other's problems, it seems to me they are very likely to come forth with some concrete ideas and proposals which will be helpful to the continued maintenance of strong local, State, and Federal Governments, and if our Federal system is to survive, we must have strong local governments, strong State governments, and a strong Federal Government.

Senator Muskie?

Senator MUSKIE. I have no questions. I do appreciate the statement. I think it ought to be made part of the record that Mr. Stern is a transplanted State of Mainer.

I want to commend the good sense of the Governor of Maryland in selecting his services.

Representative DWYER. No questions, Mr. Chairman.

Mr. STERN. Thank you very much.

Representative FOUNTAIN. The committee will stand recessed until 10 a.m., next Monday, when we will meet in room 1501 in the New House Office Building to hear Mr. Meyer Kestnbaum, former chairman of the Commission on Intergovernmental Relations, and Gov. G. Mennen Williams of the State of Michigan.

(Whereupon, at 12:52 p.m., the subcommittee was adjourned, to reconvene at 10 a.m., Monday, June 22, 1959.)

TO ESTABLISH AN ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS (H.R. 6904, H.R. 6905, S. 2026)

MONDAY, JUNE 22, 1959

CONGRESS OF THE UNITED STATES,
INTERGOVERNMENTAL RELATIONS SUBCOMMITTEE
OF THE HOUSE COMMITTEE ON GOVERNMENT OPERATIONS,
AND SENATE COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The House subcommittee and Senate committee met, pursuant to recess, at 10:20 a.m., in room 1301, New House Office Building, Representative L. H. Fountain presiding.

Present: Representatives Fountain, Dwyer, Langen, Smith, Hoffman; and Senator Ervin.

Also present: James R. Naughton, counsel, and Dr. Delphis C. Goldberg, professional staff member, Intergovernmental Relations Subcommittee; Walter L. Reynolds, staff director, and Dr. Eli E. Nobleman, professional staff member, Senate Committee on Government Operations.

Representative FOUNTAIN. The committee will come to order.

We are very happy to have with us this morning Mr. Meyer Kestnbaum, who is here in his personal capacity as the former Chairman of the Commission on Intergovernmental Relations.

Mr. Kestnbaum is also presently a Federal member of the Joint Federal-State Action Committee.

We appreciate your coming, Mr. Kestnbaum, to give us the benefit of your thinking in connection with H.R. 6904, H.R. 6905, and S. 2026, which are identical bills designed to establish an Advisory Commission on Intergovernmental Relations.

We will be glad to hear from you at this time.

STATEMENT OF HON. MEYER KESTNBAUM, FORMER CHAIRMAN, COMMISSION ON INTERGOVERNMENTAL RELATIONS, AND PRESENTLY A FEDERAL MEMBER OF THE JOINT FEDERAL-STATE ACTION COMMITTEE

Mr. KESTNBAUM. Thank you, Mr. Chairman.

I appreciate very much the opportunity to appear before the committee and discuss the bills which have been introduced with a view to establishing an Advisory Committee on Intergovernmental Relations.

As you know, Mr. Chairman, my interest in this subject goes back to the time when I was appointed Chairman of the Commission on

Intergovernmental Relations, and as you have been good enough to suggest, I am here in my capacity as a citizen and as a former Chairman of that Commission.

I hope that you will permit me, first to applaud the work that has been done by your subcommittee. To my mind this has been a most objective, painstaking, and thorough inquiry into a most complicated subject. You have developed testimony and reports that are going to be extremely valuable to all students of the subject, and I know of no inquiry of this kind that has been conducted on a more objective basis, in the spirit of ascertaining the true facts.

Representative FOUNTAIN. Thank you very much.

Mr. KESTNBAUM. The bill which has been introduced addresses itself to what I regard as a most important objective, to give the President and the Congress the benefit of a continuing study of one of the most perplexing problems that our country faces; namely, the proper coordination of the activities of the various levels of government in order to achieve our national objectives.

Our Federal system has withstood many strains in the course of our history. It probably faces a greater strain at the present time than at any previous time in our history, because of the rapid economic and social changes that have taken place and because of the impact of these changes on our communities and of our very natural desire to use the good offices of government for the improvement of our society at a time when our ideas of what is appropriate are expanding very rapidly.

I am sure I need not remind you that the Commission, in making its report, had in mind the fact that its study was only the beginning of a real inquiry into the whole subject.

If I may quote from a letter which I addressed to the President at the time the report was submitted, I said:

> We are hopeful this report will be regarded as the beginning rather than the end of a contemporary study of the subject of intergovernmental relations, and that it will stimulate all levels of government to examine their respective responsibilities in a properly balanced Federal system.

Now that the National Government has undertaken through this committee a very thorough study, I would hope that in due course other levels of government, particularly the States, would undertake similar studies of the problems which they face in their own jurisdictions and in their relationships with other levels of government.

I should like to go on record as saying that the idea of a commission that will give the President and the Congress the benefit of careful incisive research and examination of the many problems that face us in this area, is sound, and that it can fulfill a very important and useful function.

It seems to me appropriate also to point out some of the problems which such a commission may face, because its success, in my judgment, will depend on whether these problems are faced squarely and are taken into account in the very organization of the Commission itself.

We face problems in connection with the appropriate division of labor among levels of government, because of the very rapid changes that have taken place to which I have already alluded, and because the total weight of all government is increasing tremendously. And as one

looks forward to the next decade, it seems inevitable that National, State, and local governments will all be asked to assume larger responsibilities, and that the limiting factor will be not a limitation on what our people think they ought to have in the way of services, but rather our capacity to pay for them. It has already been demonstrated that the American people have a voracious appetite for goods and services, and it may be said, I think properly, that the American people want more in the way of services than they are willing to pay for. Many people suffer from the illusion that somehow if these services are provided in Washington, they do not need to be paid for, or at least that they themselves will not have to pay for them, but that they will be paid for by someone else.

Ultimately all of these questions inevitably take on important fiscal implications, and it is in the area of fiscal responsibility that many of the problems make their greatest impact. Very often arguments that are advanced on grounds of equity and justice, when examined closely really relate to the question of where the burden is going to fall—on what level of government—and often there is a kind of naivete, as to how these things ultimately are paid for.

Therefore, Mr. Chairman, it would seem to me that it would be unfortunate if a commission such as is proposed, which I believe could perform a most useful service, were to begin its work by encouraging the belief that it is a device to permit various levels of government to present claims to the National Government, and that in some way through this procedure the appropriate levels of State government can be bypassed. That is to say, if the proposed Commission were to encourage municipal and county officials to believe that the Commission is a clearinghouse or a forum through which the needs of the communities are to be explored, and pressures of various kinds are to be brought upon the Congress, on the theory that the State governments are neither ready nor willing to assume their proper responsibilities, the net effect could be most unfortunate.

It seems to me, therefore, that somewhere in the mandate of the Commission, itself, there ought to be a rather clear statement of the fact that the Commission is being organized for the purpose of facilitating discussion of the problems which beset it, of pointing up the responsibilities as they appear, of admonishing the proper level of government when it fails to meet these responsibilities. We seek to retain the values of our Federal system, not to change it into something that would be quite different and which would have the effect in the long run of doing violence to the balanced system that was established by our Founding Fathers and has stood us in good stead throughout our history.

To supplement these observations, I should like to add just a few comments on this matter of fiscal responsibility. There is no need for me to dwell on the problems of the National Government. These have been amply presented, and certainly a committee of the Congress needs no instruction from me on that point.

On the whole, as one looks at the national scene, it would appear that the National Government has serious problems, that it is currently operating at a deficit, that the local governments, particularly the metropolitan areas, are also faced with tremendous problems which are somewhat beyond their capacity in many instances, and that,

on the whole, State governments have been rather slow in facing up to the problems of their citizens in the metropolitan areas and have been content to permit the short-circuiting of their responsibilities by programs under which the municipalities and metropolitan areas have brought their problems to Washington.

A great deal of this revolves around the fact that the States take the view that the National Government has largely preempted many sources of revenue by its high rate of taxation, that as a result the revenues available to the States have been greatly diminished.

We also have to deal with the view that certain types of taxation are undesirable from an economic or social point of view. I am now referring to taxes on consumption, for example, which in the opinion of many of our people are regressive and are therefore not the appropriate means for enlargement of tax revenues.

It would be inappropriate for me to attempt to discourse on the subject of taxation, on which I am not an expert, but I would offer the observation that there has been demonstrated in many parts of the world, notably in Canada, the revenue-producing power of forms of taxation that are related to consumption. When we consider the great needs which we face in many areas, we ought not dismiss lightly the necessity of broadening the tax base so that it includes the great mass of our people.

I believe many competent authorities have indicated that the amount of additional revenue that is available to us through increases in the rate of income tax, either individual or corporate tax, is now quite limited.

Therefore, it seems to me that the States must give consideration to developing sources of revenue which will provide them and their political subdivisions with the kind of income that is needed to meet the greatly enlarged responsibilities which they face. And it must be evident that in the next decade or two the responsibilities of State and local government are likely to grow even more rapidly than those of the National Government. The role of the National Government is extremely important in terms of directing the attention of our people to the areas in which the national interest is paramount, and a commission such as is proposed could render a very useful service in making available not only to the President and the Congress, but also to our citizens the relative importance of the objectives to which the various levels of government are striving.

Unless this is done with a willingness to examine these questions critically, and unless there is willingness to ask each level of government to assume its proper responsibilities, we could develop a situation which would hamper the effective relationships between the various levels of government rather than advance them.

Therefore, if I may sum up what I have to say, Mr. Chairman, it would be this: I applaud the work which has been done by this subcommittee. It has been very valuable and highly constructive. The proposal for a commission follows logically from the work that has been done by the subcommittee. It seems to me to deserve wide support. It seems to me also that the effective functioning of such a commission must be taken into account before it is actually enacted, its mandate must be clear so that there is no disposition on the part of the State or local governments to misunderstand the purposes for which the Commission is established.

If such a commission is established properly, I should say that it could render a useful and important service; that its work need not conflict with other committees that are now under consideration, such as the one on metropolitan areas proposed by Senator Clark, because the problems of metropolitan government will be with us for a long, long time. A commission such as is proposed can perform a useful and important function if it is properly organized, properly manned, and if it has the kind of support from the Congress and the people that will permit it to bring to its work a real spirit of inquiry. It should not become merely a platform for special pleading or for the assertion of special interests in our society.

Thank you very much.

Representative FOUNTAIN. Thank you very much, Mr. Kestnbaum, for a very forthright statement.

Before proceeding further, I would like to say we are delighted to have Senator Sam Ervin, the senior Senator from my State of North Carolina and a member of the Senate Committee on Government Operations, sit with us this morning. Senator Muskie has been representing that committee in our joint hearings, but had a previous commitment for today.

I know Senator Ervin was very busy this morning, and we are grateful that he could arrange his schedule to be here with us.

You have made some very interesting statements, Mr. Kestnbaum, with which I concur.

I might say that as a general proposition I am one of those who is somewhat skeptical about commissions. I have seen what has happened to so many commissions, and I have seen so little action follow commission recommendations.

You have pointed out well the fact that this is a logical step, continuing the work which the Commission you headed had already started.

I might say when your Commission's report and its many supporting volumes were dropped in the lap of our subcommittee, I wondered what we would do with them. The more we studied that report, its analysis of the problems, the conclusions it contained, and the recommendations made therein, the more convinced we were that our subcommittee ought to take another step. The step which we decided to take was that of going out into all regions of the country to give representatives of State and local governments an opportunity to express themselves on this very perplexing subject. Nongovernmental organizations and interested citizens were also afforded an opportunity to express their views.

After we had received and analyzed the testimony of all these people, the establishment of an advisory commission with the objectives stated in these bills seemed both logical and desirable.

I certainly agree with you very strongly that the American people have a tremendous appetite for more services, and in many instances more services than they seem willing to pay for.

I think that, if those who are appointed to such a commission, if made possible by the Congress, come to it with selfish motives or for the sole purpose of encouraging the further expansion of Federal responsibilities, rather than with an objective attitude and the hope of stimulating responsible and effective Government at all levels, then the Commission will not have served the purpose for which it was intended.

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I quite agree with you that everything should be done and said to emphasize the purpose of the Commission. The declaration of purpose, in section 2, paragraph 6, may not describe it as concretely as you think it should, but it does specify, and I quote:

To recommend, within the framework of the Constitution, the most desirable allocation of governmental functions and responsibilities among the several levels of Government.

As we were discussing just before the hearing started this morning, you never know just what a commission will do until it is constituted. And, certainly, the appointment of the members of such a commission should be very, very carefully considered, and those persons should be selected who will have in mind the purpose which you have so well described.

I have just a few questions I would like to ask you about the proposal itself, so that the committee might get the benefit of your thinking.

In view of your personal experience as Chairman of the Kestnbaum Commission, I would like to have you comment on a few points concerning organizational details. As I said at one of our previous hearings, I don't think any of us who have introduced the bills are necessarily wedded to the particular phraseology of its provisions. The thing we are concerned about is to get a bill which will come as near as a piece of legislation can to laying the foundation for the carrying out of the objectives which we have in mind.

We were confronted with the problem of determining the best size of a body of this kind. On one hand we have heard that 24 members are too many for effectiveness. On the other hand, the suggestion has been made that there ought to be larger representation of certain groups, as, for example, State legislatures and counties.

First of all, do you think the size of the Kestnbaum Commission was a handicap in any respect?

Mr. KESTNBAUM. Well, Mr. Chairman, it was large, and consequently it appeared unwieldly at times, but I should say size itself is not necessarily a handicap. In fact, if it is desirable to get various points of view represented, you inevitably have to have a commission large enough to do this effectively.

The size of the Commission itself does not trouble me. What would trouble me would be the possibility that under its organization the so-called public view might be overbalanced by the special view. It would seem to me, for example, that the congressional representation might actually be larger, because it is the Congress that ultimately has the responsibility.

It would seem to me also that the public representation might be larger.

Now, on the question of the extent to which State and local governments are represented, I might offer this observation—and this is a purely personal observation: There are effective organizations representing State, county, and municipal government. They do excellent work. The special problems of each of these groups are readily communicated to a commission of this kind, and whether you have 1 or 2 mayors or 3 or 5 or 10 is not the fundamental question. The important thing is to make sure that the Commission gets the views of many mayors in various cities in the country, all the way from those

representing large metropolitan areas to the mayors of very small communities who have some very special problems which need to be taken into account.

For example, there is the problem of payments in lieu of taxes, which affects some small communities very seriously.

Now we cannot make certain through any type of representation that all groups will be adequately represented by membership on the Commission. My own view is that it might be wiser to reverse this approach—to argue that there ought to be someone representing the point of view of mayors of municipalities, someone representing the point of view of counties, but that this Commission, which will be not a lawmaking body, but a deliberative body, will have the responsibility of seeing to it that it gets the views of all groups that have a proper interest in this field. I can suggest no better example than your subcommittee, itself, which I think has brought to bear on this subject every point of view—State legislators, local governments, State governments, and so on.

You have demonstrated that it is possible to get all of these points of view before you and to give them consideration.

I think a Commission such as is proposed could very readily see to it that these points of view are considered. There are associations and individuals that can make these views available, special hearings and inquiries can be arranged. I think it would be rather unfortunate to try to make of the Commission a kind of constituent assembly because on that basis the problems of representation will be troublesome throughout all of its deliberations.

It may be that this Commission would work more effectively if it had fewer representatives from State and local government and more representatives from the Congress and the public. I am not making this as a proposal; I am raising the question because I was interested in a comment made by a representative of the county officials suggesting that they ought to have larger representation.

If you were to consider all proposals along this line, I think we would have to ask John Stuart Mills to figure out how to get appropriate representation for each level of government.

Representative Fountain. I quite agree with you that whoever is on the Commission would necessarily have to seek the viewpoint of officials and the public in all sections of the country as well as communities of various sizes.

What we are thinking of is the practical situation, in addition to being sure that all points of view are received, of providing that insofar as possible the various types of cities are actually represented by persons who are familiar with their problems.

I can see that a smaller body would have certain disadvantages such as the probable unavailability of members at any given time. There is also the possibility that the Commission might want to constitute itself into several committees, such as was done by your Commission.

I think it should be pointed out that the Advisory Commission proposed by these bills would be concerned with some objectives which were not basic to the purpose of your Commission and which probably have a bearing on the group's size. For example, fostering better contact between Federal, State, and local officials for educa-

tional purposes, and taking into account regional and size characteristics of governmental units almost necessarily requires a fairly large body.

Do you think in retrospect with reference to the Commission which you headed that a smaller body might have been more effective?

Mr. KESTNBAUM. No, sir; I do not have that view. I must say I am persuaded by what you just said and it is confirmed by our own experience in the Commission. I do not feel that the size of the Commission was any basic handicap to its work.

It is true that a larger commission means that more individuals express their views. It is sometimes harder to reach a decision with a 25-man commission than with a 10-man commission, but as against that I should say that the work of the Commission was enriched by the contribution made by many individuals.

We had, as you know, at least 10 men who had had experience as Governors. We had five or six who had had experience in municipal government.

I should say that they contributed very substantially to the work of the Commission.

The point to which I was addressing myself was not so much to the size as to the composition of the Commission. I simply make a general suggestion that it would not be wise to try to work out a commission that would assure perfect representation for the various groups because I think this is impossible and, further, it runs into the danger that people who come on as representatives of special groups sometimes regard themselves as instructed representatives. This Commission will do its work best if you have people who are good citizens and who are interested in the whole subject and who are selected from various groups because of their knowledge and qualification and background rather than to advance a special point of view. That I would find troublesome.

Representative FOUNTAIN. Then I take it you do feel it desirable to have specific representation on the Commission of the several levels and branches of government?

Mr. KESTNBAUM. Yes, sir; I do, yes.

Representative FOUNTAIN. We have provided for organizational participation in the selection of members in order to facilitate the fullest cooperation of these groups and a wider acceptance of the Commission's recommendations.

However, a few witnesses have suggested that it would be preferable to give the President complete discretion in appointing the members, except for the Members of Congress.

I would like to have your judgment on this point.

Mr. KESTNBAUM. Well, Mr. Chairman, it would seem to me that probably the responsibilities of the President in this area are such as to make it advisable to have him appoint at least the Chairman of the Commission. I think it would be difficult to have the Commission function well if the Chairman is not named by the President. I think there are several reasons for this. The President is probably in a better position than almost anyone else to select someone who would have the broad qualifications that are needed to act as chairman of such a commission.

Now it is true that the President can make a mistake in his appointment. Nevertheless, it is probably better for him to appoint the Chairman than to ask the Commission to elect its Chairman. I believe in the democratic process, but I believe you have a special problem here in that it is highly important that the Chairman of this Commission be someone who has the standing that would assure confidence in his leadership.

I need only point to the fact that we have had many commissions in government, some have been successful, some less so, and I should say a great deal depends upon the chairman.

In connection with the Commission of which I was Chairman, I had great misgivings about my own qualifications. I was conscious of the fact that I was not a constitutional lawyer, nor could I claim experience as a State or local official. It may well be that that Commission would have done a more outstanding job had it had a great constitutional lawyer as its Chairman.

At any rate, one point I would make is that I do believe there would be greater assurance of confidence in the work of the Commission if the appointment of the chairman were a responsibility of the President. Secondly, I would say the congressional representation might well be larger. I have great respect for the Congress of the United States and when we consider this matter of representation, I should say that the people are well represented by the Congress. The cities and the States are represented by the Congress and to assume that Members of this Congress cannot adequately represent the point of view of the larger metropolitan areas is, in my judgment, a mistake.

In fact, I go so far as to say that perhaps at the national level they can be best represented by the Congress because Members of Congress are familiar not only with the problems of the metropolitan areas but also with the problems of the National Government. And having in mind the very special nature of the work that is to be done by this Commission, I think it might be well to consider whether or not the Commission could not be made up principally of Members of the Congress and the public, with the idea that the points of view of other levels of government would be made available through other devices.

Subcommittees, advisory committees to the Commission, itself—there are many devices by which you can get the point of view of the municipalities, the county governments, of State legislators and so on. There are many problems in providing balanced representation which leads me to suggest that you consider a kind of representation that is less than formal than that now proposed in the act.

Representative FOUNTAIN. I cannot fail to concur with you that the Congress does, of course, represent all the people and Members of Congress are familiar to some extent with the problems of the various levels of government. At the same time, we are constantly confronted with the criticism that Congress is too easily influenced in matters affecting all of our people and all levels of government by pressures from groups interested in particular legislation and especially interested in obtaining Federal aid.

For that reason we concluded that representation of cities, counties, Governors, and the State legislatures would at least give all of these

groups a feeling of being a part of this advisory body and an opportunity to discuss some of these problems before they require congressional attention.

I know that oftentimes recommendations are made after very careful study by objective groups and then Congress pays very little attention to them. Of course, there is nothing we can do about that, but this is an educational process through which we have to go.

I have one other question and then I will yield to Senator Ervin and other members of the committee. Do you have an opinion on the desirability of having the States underwrite a share of the Commission's operating expenses rather than provide for Federal support alone?

Mr. KESTNBAUM. Yes; I would like to offer an opinion on that subject. It seems to me that it would be difficult to accomplish. Many of the States would do it willingly and would feel that it is appropriate for them to do so. But some of the States would inevitably engage in discussions and debates on the subject and when you consider the amount that is involved, I would question whether it really is worthwhile. You would also have the special problem of what would happen if, let us say, 38 States were to assume their proper share and 12 States were to decide that they didn't wish to do so.

I think this would embarrass the Commission at the very start.

I am sure that there will be many suggestions as to appropriate responsibilities to be borne by the States, coming out of the work of the Commission and perhaps it is just as well if we do not expose the Commission to the argument that the States do not see just why they should appropriate money to establish or support a commission which may possibly turn around and tell the States what they ought to do.

On the whole I believe State support would be a nominal rather than a practical advantage.

Representative FOUNTAIN. There would be a very small sum involved because I would certainly not envision that this Commission would be an expensive operation. My first thought was that the States should participate. In fact, I had a draft to that effect, and Governor Hodges of my State, in a letter endorsing this proposal, expressed the point of view that he, too, would like to see the States participate.

Mr. KESTNBAUM. You have a very progressive Governor.

Representative FOUNTAIN. Thank you.

We were confronted with the practical problem which you mentioned, and for that reason we did not include State financial participation in the bills.

Senator Ervin?

Senator ERVIN. I concur in your opinion that it would be desirable to have the States participate in the support of the Commission. I also agree with you it would be impractical to obtain such participation. Some of the States may refuse to pay over to the National Government what they were asked to pay.

It seems to me that the dangers of local government in the United States is twofold. There is an actual tendency of the Federal Government to rob the local governments of powers and the other which I

think is equally disastrous is the assumption by the National Government of the burden of the local government.

Mr. KESTNBAUM. To my mind, this is why such a careful balance must be worked out. It is unfortunate that there has developed somehow the idea that the relationship between the National Government and the States and the local governments is that of a parent to its children.

I think this is not an appropriate comparison and it does great mischief in my judgment because generally we take the view that children ought to be supported.

On the contrary it would seem to me that what we have is a very careful and ingenious division of responsibilities and a principle long established in our country that so far as possible responsibilities of government ought to be assumed by the level of government that is closest to the people.

Local communities have been jealous of the operation of their schools, of their law enforcement and of their authority with respect to various kinds of taxation, and properly so. We all know that the school committee or the school board which appropriates money and which has to be raised locally, usually administers it very carefully.

When you are spending money provided by a remote source, you are usually not so careful.

The problems that we face are aggravated by two very important developments. One is this great movement into the cities which was not contemplated in the charters originally granted to municipal governments. Another is the explosive increase in population, with resulting great demands for services, not only for welfare, but also for the local needs, streets and police protection, local transportation, health, and so on. It is a general principle of government that as you get larger concentrations of population—and this has been true throughout history—the services required have multiplied rapidly. That is to say, a million people distributed in rural areas require less in the way of services than 1 million people concentrated in a metropolitan area. This is in the nature of things.

I think we must face the fact that the local governments have had very serious problems some of which have been beyond their capacity. I think it must also be recognized that during the depression days they found it almost impossible to get adequate assistance from their State capitals.

Consequently a National Congress had to be sympathetic and was. It introduced many programs and I think it is significant that our Commission examined these grants-in-aid and found very few that we felt ought to be discontinued. The problem is not the desirability of the programs themselves, but how to finance these programs and other programs that may be needed.

I quite agree that we need to strengthen the activity of local governments. Ther are many ways of doing this but certainly there must be a sense of responsibility on the part of citizens in the local communities. Certainly the State legislature must see to it that these jurisdictions are strengthened in terms of their fiscal powers and must provide them with such other authority as is needed for them to carry on their work properly. The States must give the cities proper representation in the State capitals; this matter of a reapportionment is becoming one of the very critical problems of our Government.

Certainly the large cities are going to put great pressure on all levels of government for the assistance that they require and it would be unfortunate if they weren't given the opportunity to perform as many of these functions as possible for themselves, which, of course, means that revenues have to be made available to them and the agency that can do this most effectively, in my judgment, is the State government.

I would be hopeful that out of the work of this Commission would come a very real reexamination of their responsibilities on the part of State governments. In fact, unless this happens, I should say that we will inevitably change the pattern of our Government. This, to my mind, would be most unfortunate.

Senator ERVIN. I agree with you. I think our great problem today is revitalizing the Government in all its levels. Undoubtedly there is the most desirable system of government where you have a division of powers and responsibilities.

I want to express my appreciation for the great work your Commission has done in pointing out this fact.

Thank you.

Representative FOUNTAIN. Mrs. Dwyer?

Representative DWYER. Thank you, Mr. Chairman.

I would like to take this opportunity to congratulate you, Mr. Kestnbaum, for the very valuable and constructive statement you made before this committee.

I would like to ask you just one or two questions: I see this Advisory Commission as an establishment of lines of communication with all levels of government. Some people see this Commission as a group which may be pressured by all levels of government for certain programs for local communities and for the States.

What are your views on this question, sir?

Mr. KESTNBAUM. I heartily concur with your view, Mrs. Dwyer.

If this Commission can engage in these studies in the same spirit as did your subcommittee, to ascertain the facts, to get all points of view, to give opportunity for widespread expression of opinion, and to provide a sounding board for these views, this is a very valuable service and one that ought to continue.

This Commission, as a result of these studies—and as a result of much that has already been done—can engage in some very specific study and research.

For example, on this question of fiscal capacity, fiscal relationships, these are areas in which a great deal of technical work can be done.

But I would certainly agree with you that if this Commission is reduced to an agency through which various pressures will be applied on the Congress and in which the emphasis is put on trying to get special programs promoted instead of trying to see what our real needs and capacities are, this could prove to be a very unfortunate development, one that would perhaps create more problems than it would solve.

Therefore, I would like to repeat what I tried to suggest before, and I think you brought it out very well, that the mandate of this Commission ought to be very carefully set up so that it is clear that its purposes are those which you have suggested. Such a Commission will avoid the posture of encouraging various groups to exert their pressures on the Congress.

I am not suggesting that some of these pressures may not be valid. They may be, but there are other means by which these pressures may be exerted and I do not believe that this Commission is the appropriate channel; it ought to occupy a very special position.

Then may I say just one thing further. The problems of government are never solved. We meet them as best we can and as new circumstances arise we have new problems. And most of the great problems of the world are problems that are not solved, but are dealt with.

This Commission would have the very serious responsibility of aiding the administration and the Congress in dealing with problems that will never be fully solved so long as people are people.

One of our Founding Fathers suggested that if all men were angels, we wouldn't need any government, but until men reach that happy state, we are going to need government and governments will have problems and we need serious and devoted people to consider those problems.

I want to add further that there is no system of government that requires as much of its people as a democracy. This means active participation at all levels and when we reach the day when our citizens feel that they can ship all of their problems to Washington, the spirit of our democracy will have declined.

Representative DWYER. Thank you. I believe you answered my second question by indicating that guidelines must be spelled out in this type of legislation and that personnel of the Commission must be very wisely chosen.

Mr. KESTNBAUM. That is correct.

Representative DWYER. Thank you, Mr. Chairman.

Representative FOUNTAIN. Mr. Smith.

Representative SMITH. The witness states so much in so few words I am not sure that I have grasped the full importance of the testimony. I wondered if I could follow through on a couple of ideas by way of examples.

I believe that you mentioned the reapportionment problem, and, of course, this infers at least, as I am sure you discovered in your studies, that a large share of the States have very unrepresentative governments, and that under them are more representative municipal governments, to a large extent. Do these facts have something to do with the local governments coming to the Federal Government for some of the desired goods and services.

Mr. KESTNBAUM. Yes.

Representative SMITH. Do you see any change in this trend?

Mr. KESTNBAUM. It seems to me that it is essential that this matter of appropriate representation be solved at the State level if we are to get effective functioning of our Federal system. Because a situation in which a very large proportion of the voters concentrated in our larger cities find themselves unable to make their needs felt at the State capital, will inevitably drive them to the National Capital. I think they feel their needs must be provided somehow or other.

I believe that the problem of financing education furnishes a very good example.

Representative SMITH. Do you think this Commission could somehow contribute to the alleviation of this problem?

Mr. KESTNBAUM. I think it could, by pointing up the problem of representation by encouraging the citizens in the various States to tackle this problem at the State level, and further, by having some impact on the State legislatures themselves. The State legislatures are composed of people who have a sense of responsibility for their State government, and they do respond to public opinion.

Of course, the rural property owner is very apt to feel that people in the large cities ought to be able to meet their problem through their own resources. I am not proposing that these problems are going to be solved by an enlargement of the property tax. This is one of the factors involved here; the nature of taxation. That is why I said what I did on the subject of taxes on consumption. I think if we were to rely entirely on increases in property taxes in the States they would find it difficult to meet their problems.

Representative SMITH. Do you feel, for example, that there has been a revival of the Hamiltonian point of view that some people shouldn't represent themselves, and do you think this Commission could help in overcoming that?

Mr. KESTNBAUM. I believe this Commission could be helpful without attempting to appraise the growth of the Hamiltonian point of view—which I think has been present in our society from the very beginning—it has never been lost. I think there are many people who have consciously or unconsciously expressed the Hamiltonian philosophy—but as a practical matter, so many of our people now live in cities and in suburban areas of cities that they are being deprived in many States of adequate representation in their State governments, and this is contributing very substantially to these problems.

I believe a commission of this kind could be very helpful by collecting information and stimulating discussion.

Representative SMITH. As one specific example, I think you are probably acquainted with the need at the present time, or at least the alleged need of Federal minimum standards in unemployment compensation. And we find recently a good many legislatures have adjourned and gone home, and they didn't do anything about it. To a large extent, anyway, these same legislatures who didn't do anything about it are in the same States which have had such a bad problem in the last 2 years and whose citizens have had to ask the Federal Government for help.

Mr. KESTNBAUM. This illustrates the case very well.

I realize that on any particular piece of legislation there will be pressures within a State to resist what would impress us as being progressive legislation. I would like to point out that in the matter of Federal aid to education, in some States you get an anomalous or equivocal position on the subject:

On the one hand we get extreme opposition to legislation for Federal aid, on the grounds that this violates the integrity of the State and the responsibility of the State legislature and so on.

Then some time later, when legislation in the State is offered to increase revenues available for education, the same citizens or the same groups oppose it on the grounds that this would unreasonably increase their taxes.

Now, these two points of view are not consistent.

Representative SMITH. Do you think this Commission could help alleviate that situation somewhat?

Mr. KESTNBAUM. I am not certain it would effectively change the opinions of those who take that view, but I do believe that it could do a great deal of work in educating the citizenry of the country and the Congress in the specific problems, the nature of the problems that are involved. I believe many of our citizens are confused as to where the responsibility lies. This is evident from the debates on the subject.

One of the things that would be most valuable that I foresee as one of the products of such a commission would be a much more widespread discussion of some of the problems that you have just raised, and others that come up as on this question of unemployment insurance, as to what appropriate standards of welfare payments are going to be in the various States. And I have not even mentioned such problems as law enforcement. I wish that our Commission had had an opportunity to do more work in this field, for it is clear that the way in which our law enforcement responsibility is divided has aided many of the powerful groups who are engaged in various forms of crime and corruption to operate in various shelters, because they take advantage of the division of responsibility in the States and of the fact that the Federal Government does not reach into all of these areas.

Here is an area—a very important one involving an annual cost to society of many billions of dollars. The Commission might very well undertake a study of the possibilities of more effective law enforcement in our society.

Representative SMITH. In other words, the syndicates soon find out where the low pressure areas are?

Mr. KESTNBAUM. They find out where the low pressure areas are; they can have their headquarters in a State where they are sheltered because they have no local activities and do business in other States where they are subject to prosecution, only to the extent that they come into direct conflict with the law, and they are taking advantage of this division of responsibility in law enforcement to a degree that I think represents a very serious problem for our society. This could be a highly constructive area for the Commission to operate in. There are many others.

Representative SMITH. I have nothing further.

Representative FOUNTAIN. Mr. Hoffman.

Representative HOFFMAN. Thank you, Mr. Chairman. I do not have any questions.

Representative FOUNTAIN. Mr. Langen.

Representative LANGEN. Thank you, Mr. Chairman.

First, may I compliment the witness for the very fine manner in which he has presented his most constructive observations this morning.

Mr. KESTNBAUM. Thank you.

Representative LANGEN. I would like to pose one question. I realize it is repetitious to some of the material you have already presented, and presented so well, but I would like to further it a little more.

The thing that keeps puzzling my mind with regard to the Commission—and I say it not critically at all— is this: The exact objective and purpose of the Commission, as to whether it is to be one which is basically informational, in gathering information regarding these

various problems and relations between Federal and other levels of government, or whether the purpose is going to be one of lending direction to the operation of each of these governments in their respective fields.

And if it is one of direction, the thing that seems to puzzle me is this—and let's suppose that we are concerned with reapportionment, be it education or welfare, or whatever the case may be; that the Commission does recommend the local unit of government should carry a greater responsibility, or ought to respond to the problem which exists. And using the State legislature as an example, do you feel that they are apt to respond more readily to a recommendation from this Commission than they do to the demands of the constituents within this local unit of government, and in what way can the Commission serve in clarifying or getting response which in so many instances is the real need—it is a matter of getting response in that legislative body.

Mr. KESTNBAUM. Congressman, you put your finger right on the problem. I would like to address myself to that for a moment, because I think that the answer to that problem would determine the effectiveness of the Commission itself.

We have had no end of commissions. We have already had a commission on this subject, and the Commission, as you will recall, proposed that there be studies of this whole subject of intergovernmental relations, and the subcommittee headed by Congressman Fountain has engaged in very extensive inquiries. Now, does this mean that the subject has been exhausted? In my judgment, not at all.

I think very valuable material has been collected, and it now remains to be seen what can be done about it.

Now, in one way or another the people who are the professionals interested in government; that is, legislators, Governors, mayors, political scientists, now have a body of information which is far richer than anything they ever had before. We have produced as a result of our combined efforts a great deal of very valuable information.

Now, the question is: How can we make use of this? And we need to make use of it in various places. One, in the Congress of the United States, which has certainly shown a very great interest in the subject.

This does not mean that the Congress has accepted all of the recommendations of the Commission, or that it would accept all of the recommendations of the proposed Commission, but certainly it is the hope that such a commission would have some influence, that the Congress would pay some attention to the recommendations of this Commission. Particularly if the Commission does its work effectively and in the spirit that has been proposed and does not become a special pleader, or a vehicle for special pleaders.

It seems to me the role of the Commission ought to be that of advising the Congress, of issuing statements which would be in the nature of advice to State and local governments—I should say serious studies that would be submitted for their consideration.

We cannot guarantee that a State legislature will pay very much attention to reports of this kind, but this is part of the democratic process of stimulating sufficient discussion on the part of the public to make the State legislatures sensitive to the kind of discussion that

is going on. An obdurate State legislature can resist these things indefinitely, I realize that.

If it is opposed to reapportionment it can hold off indefinitely. A minority can control the situation. But there are elections held every 2 years, in fact, elections of some kind are held every year, and people do have an opportunity ultimately to express themselves on these questions, if they are sufficiently excited about them.

I would hope that what the Commission would do ultimately is provide a sense of direction, as you have suggested, indicate what are the areas in which action is needed to improve the quality of government in the United States; what are the sensitive areas, and to make its findings public and to hold hearings and to develop its thinking—and this calls for hard thinking, too. Very hard thinking.

And I would hope that we would take advantage of the resources that are available in our universities. The political scientists have much to contribute here. I would hope that local studies would be encouraged in the various States. If in each State there were a commission or body of some kind that would examine the situation within the State itself, that would be a highly desirable result.

A few States have already done this in response to the work of the Commission of which I was Chairman. I would hope more will be willing to do so, and that the proposed Commission could stimulate this further.

I go back to my original proposition: Much of this work has to be done at the State and local level. The value of the commission at the National level is that these are national problems, which call for national leadership. In fact, I would say that what has been accomplished through the grant-in-aid program, by and large, is that the National Government has assumed leadership, in getting the States to participate in programs which are in the national interest, and that the total sums expended, though they have been large, have, on the whole, been well justified, because they have induced the States to undertake programs which they would not ordinarily have undertaken.

Therefore, I see this Commission, if it is well organized and functions well, as being a vehicle through which information and research could be made available to citizens, and the interest of citizens stimulated, and participation on the part of the Congress encouraged, so that greater attention is paid to this whole problem.

Representative LANGEN. No further questions, Mr. Chairman.

Representative FOUNTAIN. Thank you very much, Mr. Kestnbaum. You have just discussed a matter which has concerned me considerably. As we were discussing just before the hearing this morning, the subcommittee has been very much interested in knowing the extent to which representatives of local and State government have interested themselves in the reports of the Commission which you headed. I was hopeful we would find they had given very careful study to your reports. We were disappointed to find that the very splendid job which your Commission did seems to have had very little impact at the local and State levels.

We asked some specific questions in our regional hearings to ascertain what impact the report of the Kestnbaum Commission and its recommendations have had upon the operations of State and local

governments. We were surprised to find that many public officials were not even familiar with that work.

Now, that was a temporary commission. Certainly an advisory commission is no panacea. As you have indicated, this problem is so broad, so vast, that it will necessitate continuing studies by a lot of people: government, private institutions and organizations, and individuals. But if an advisory commission of this kind could light a flame in the minds of a representative group of local and State officials throughout this country, to enable them to become better informed and to encourage them to engage in educational programs within their respective areas, even if it did no more, a commission of this kind would serve a most useful purpose in our Federal system. I believe that if our Federal system is to survive and to remain strong, we must have strong local and strong State government.

As you have so well stated, many of the States have been slow to recognize the needs of fast-growing metropolitan areas and while I come from a State which is primarily agricultural, it is rapidly becoming more industrialized. Even in my State the trend is toward urbanization, and we can see many of the same problems which exist in the more urban and metropolitan areas of the country.

How to stimulate a greater sense of responsibility on the State and local levels in certain important areas seems to be one of the great problems, as was so well pointed out in the report of your Commission and by our hearings. We are hopeful that in a very modest way the Advisory Commission proposed by these bills will serve to focus public attention on this problem, and through this educational avenue stimulate greater State responsibility. At least that is my personal feeling about it.

Mr. KESTNBAUM. Well, Mr. Chairman, I concur very heartily, and I really believe that a commission, if it is well organized and well directed, could do even more.

Representative FOUNTAIN. Like any commission or organization, if it is not well organized and well operated, it may serve no useful purpose. But we never know until we attempt it.

Mr. KESTNBAUM. That is right.

Representative FOUNTAIN. Any other questions?

I want to thank you very much, Mr. Kestnbaum, for taking this time from your very busy schedule to come before this joint committee to give us the benefit of your very wide experience in studying these complicated problems.

Thank you very much.

Mr. KESTNBAUM. It has been a pleasure for me to be here.

Representative FOUNTAIN. We have another very distinguished witness this morning. I might add as a preface to presenting him that Senator Hart had intended to be here to present our next witness, the Governor of the great State of Michigan, the Honorable G. Mennen Williams. Unfortunately, circumstances beyond his control prevent Senator Hart from being present this morning.

I am sure Governor Williams is known to all of us. We are very grateful that he has taken time from his very busy schedule and has made this special trip to Washington to testify this morning.

I might also observe that Governor Williams was most cooperative and helpful to the subcommittee during the course of our regional hearings.

Governor Williams.

STATEMENT OF HON. G. MENNEN WILLIAMS, GOVERNOR OF THE STATE OF MICHIGAN

Governor WILLIAMS. Thank you.

Senator ERVIN. Mr. Chairman, I might say at this point it may be I will have to leave before Governor Williams completes his statement. I hope not, but I have another engagement which is very important.

Representative FOUNTAIN. We will understand if you find it necessary to leave, Senator. We are aware of the important meeting which you have to attend.

We are very happy to have you with us, Governor. Please proceed with your statement.

Governor WILLIAMS. Thank you, Mr. Chairman and members of the committee. It is a pleasure, indeed, to have this opportunity to appear before your committee and express my views on what is unquestionably a matter of great importance and one which will assume even greater urgency in the years immediately ahead. I refer, of course, to the dynamics of our American Federal-State system which you have so aptly termed "intergovernmental relations."

I might say that even for a Governor to testify after Mr. Kestnbaum, it is a matter of some trepidation.

This term, "intergovernmental relations," is certainly descriptive of the dimension of the problem this subcommittee has studied for the past 2 years. The Federal-State system is far more than the comfortably simple concept of sovereign States and a central National Government. In its governmental, political, social, and economic ramifications, it resembles less the superficial analogy of a layer cake than it does the more complex and accurate analogy of a marble cake. We are a nation of States, that is true; but as a people we live more and more in great cities and their burgeoning suburbs, and also in towns and villages and in rural settlements. Our lives are affected by great economic and cultural currents which sweep the country in many instances and in some sweep the whole world as well as just our own locality.

The basic challenge of our Federal-State system is not one of achieving some abstract and enduring equilibrium or balance in the division of governmental powers and functions between the States and the Central Government. A state of balance or equilibrium by its very nature assumes static conditions. One thing its certain, ladies and gentleman, the American system of governmental freedom and justice, free enterprise, technology, and personal life is anything but static. It is dynamic, ever-changing, constantly adapting to the needs and demands of new opportunities and a restless people.

Our challenge, indeed our mission as public servants, is not to erect artificial and unrealistic compartments of governmental activity. Rather it is the stimulating and often arduous task of maintaining freedom and social justice while encouraging and facilitating those

major breakthroughs in technology, art, and science that have made our comparatively young society the world's most affluent and powerful.

This is the essence of the art of government and politics. It is an art that demands of the practitioner that unique blend of a dedicated sense of responsibility and responsiveness to the governed, a profound and deeply rooted knowledge of and respect for the wellsprings of our free institutions of self-government and those precious liberties that make us a free people, and an attitude of state of mind that is open to innovation in achieving a more abundant life for our people.

Your subcommittee and its staff, Mr. Chairman, have been true to this tradition as is most evident in the published testimony of the hearings you have conducted and the report you have issued. I am particularly grateful for your courtesy in extending these hearings on H.R. 6904 for another day so that I might appear. I also wish to express my appreciation for the fine reception you accorded the Lieutenant Governor of Michigan when he appeared in my behalf during your regional hearings in Chicago in October 1957. Both Washington and the Congress are indeed fortunate in having Philip Hart as the junior Senator from Michigan, for he brings with him a wealth of experience concerning the problems and opportunities of State government.

You are to be congratulated on the thoroughness and the objectivity of your study. You did not succumb to the siren call of oversimplification and you did not retreat behind an opaque curtain of slogans and meaningless generalities.

If there is any reservation I have about your report, it goes not to its substance but to its scope. I feel strongly that the problem of intergovernmental relations today and particularly in the years ahead go far beyond the present grant-in-aid programs with which you dealt primarily. These programs are important. I agree also with your conclusions that there is neither sufficient cause nor significant support for their abandonment now, but that there is room for improvement in their content and administration. Yet I feel that the emergent problems of intergovernmental relations are even more complex than the grant-in-aid area and that they will test the resiliency of our federal system more severely than any or all of the problems it has faced to this time.

In lending my support to the subcommittee recommendation for the establishment of an Advisory Commission on Intergovernmental Relations, therefore, I would like to develop why I think such an organization is necessary in the light of what I see as the developing crisis in our federal system. But first let me summarize and say that I believe we need every institution we can develop that will help our Federal-State system adjust itself to the dynamic challenges of our day and to correct and readjust any defects that may evolve through special pressures or changed conditions. Only constant review, wise discussion, and bold vision can keep us at top efficiency.

While I don't claim the authority of an expert, I feel that my 11 years as Governor of one of our wealthiest, fastest growing, and most industrialized States does permit me to speak from an experience that has witnessed the exciting revitalization of State government, the powerful impact of urbanization, an exploding population growth,

and the full flowering of a fiscal crisis that has been developing for some time in practically every State in the Union. In addition, I have had the opportunity to view the Federal system from a national perspective, having served a total of about 5 years in the Justice Department, the Social Security Board, and OPA, both in Washington and in Michigan.

Many observers of the American scene have been quick to condemn State government and only too ready to relegate it to the limbo of governmental obsolescence. Others have as quickly condemned the National Government for alleged encroachments on the sovereignty of the States and some have passionately urged repeal of the 20th century and its attendant economic, social, and governmental problems. I was happy to read that your committee found both extremes unrealistic and superficial.

No one would deny that our Federal-State system is currently experiencing noticeable stresses and strains. These are most obvious in the widely publicized difficulties confronting a number of State governments this year and which will be descending on other States much sooner than you think. I am convinced that the States will overcome these difficulties. If they do not, then we may well witness the gradual atrophy of unresponsive and ineffectual State governments. Out of bitter frustration and impatience born from not obtaining the services and programs they expect and deserve from their State capitals, the American people may ring the death knell of American federalism by carrying all of their problems to Washington and in so doing stultify the dynamism of the American system. This none of us want, I am sure, and your proposal is a sincere effort to prevent this from happening.

In approaching the Federal-State relationship problem, everyone is, of course, aware of the advantage of maintaining as much governmental power as possible in the local and State governments, in order to prevent centralization and the practical realization of Lord Acton's dictum that "absolute power corrupts absolutely." On the other hand, we are confronted with the more modern and topical aphorism of Adlai Stevenson that the alleged matter of Federal encroachment involves not as much "States rights" but "States wrongs." We are compelled also, I say regretfully, in view of the trek of the cities to the Federal Government for aid, to wonder whether the government closest to the people is that government that is geographically nearest or that government that is nearest in interest because it does something about problems.

My immediate purpose is not to try to propose answers to the questions that these statements raise, but rather to indicate that whatever our ideal relationship is between the Federal and State and local governments there are forces at work from time to time which tend to transfer or build power in one area or another, quite apart from any abstract theory. My purpose further is to support the idea that an advisory council such as H.R. 6904 suggests, representing as it does Federal, State, and local government, could be an admirable agency to review, consider, and advise on the condition of our Federal-State system.

To support then the idea of setting up a permanent representative Advisory Commission on Intergovernmental Relations, I would like

to consider with you some of the potent problems or forces that affect the relationship between our several governmental areas.

Before developing any of them in any detail I would like to list what I believe are some of the major issues not only worthy of close and continuing scrutiny but really demanding of study and planning.

1. Relative Federal, State, and local tax power, and the relative ability of each government to meet present and emergent needs.

2. Two potent and critical emergent needs that have strong local tradition, but which are of national concern and which have received some national attention—urbanization and education.

3. Full prosperity and full employment—a subject with mostly national answers, but with plenty of local questions.

4. Unrepresentative character of many State legislatures and the consequent demand for national action in the face of State inaction.

5. Question of areas of either Federal or State action and the operation of Federal preemption.

And I might just give an example here, though I won't develop it, the matter of the NLRB cases, for example, where through the executive, one day we had a very broad interpretation and a few days later a much narrower one, and as a consequence the States were in no position to do their part of the business, because they didn't know how far to push their jurisdiction. And, of course, more recently the problem of sedition has come before us, but here, of course, the Court has preempted the local field for the Federal Government at the moment.

6. Desirability of national uniformity or general conformity with or without areas of discretion and local administration, such as interstate highways, unemployment compensation, grants-in-aid.

At this point I would like to insert a seventh, which isn't in my text, and that is the transfer of war budget to peace budget, in the event of disarmament or lessening of cold war pressures, the changeover from armament to public works, education, and so forth, so as not to suddenly deflate the economy.

Obviously, I must be the first to admit that many problems will not fall into any of the neat categories I have suggested. Many will fall into several categories and some into none. But the important fact remains: there are problems of utmost importance and urgency that tend to evade mutual consideration of our several governmental units, until suddenly one government makes a decision which has impact on the others. A unilateral decision may be good or bad. But a multilateral decision would have the advantage of mutual planning and consideration and timing permitting better implementation.

Because I believe the matter of fiscal power is of tremendous importance, I would like to read what I have written here in that area:

1. That the Federal Government's power to tax greatly exceeds that of the States requires no argument because of the well-known efficacy of the Federal personal and corporate income taxes and the relative amount of revenues raised.

The questions remain, "Do the States have sufficient power to meet their obligations? Have they done their part?"

The States since World War II, for State and local purposes, have about tripled their spending, indebtedness, and taxes. From 1946 through 1957, State and local expenditures rose from $14.1 billion to

$47.6 billion, indebtedness from $15.9 billion to $53.2 billion and taxes from $16 billion to $45.9 billion. During the last few years, State and local spending has jumped an average of over $3 billion annually. Comparison with the Federal Government shows that the States have been doing their share.

But the States are increasingly running into the problem that their ability to raise revenues is falling behind their taxing powers. Some of the pressures I will later discuss. The tax problems of the States have been all too evident this year, when some 35 States were forced to consider tax increases, and when a good many of them, including my own State, have found it very difficult to come up with the necessary revenues.

State legislatures are constantly slowed down in their consideration of taxes for important services by the argument of interstate tax competition. It is alleged that if taxes are passed business will leave the State or refuse to come in. This is an argument that is used in State after State.

My purpose here is not to argue the validity of the point of interstate tax competition, but merely to point out that it tends to depress the efforts of the States to meet their own needs. When the States fail to meet their own needs, then there is pressure to meet these needs from the Federal Government. As the history of the last decade indicates, the Federal Government has not been unresponsive to those needs. As a consequence, there has been an increase in taxes, but Federal rather than State taxes.

An advisory council could well consider ways and means of the States getting the necessary taxes to meet their own necessary problems in some way which would prevent the effect of interstate tax competition. That there are such ways was demonstrated when the Federal Government entered the death tax field in order to terminate unfair competition between the States.

I would like to say at this point that I believe of the six or seven points that I have raised, probably at the present time the most important are those relating to the fiscal abilities of the Federal, State and local government, and the unrepresentative character of many State legislatures, because I think the two of these serve to put more and more pressure on the Federal Government to enter into fields which the State governments could well perform.

I think this is most unfortunate, particularly at this time when the National Government has such challenges in the field of international affairs, in the management of our economy and the like.

I think that we as a Nation ought to be doing everything possible to return to the States as many of the powers and duties as possible so that the Federal Government could have more time to attend to its emerging problems of international and national importance.

2. Our Federal system must rest on viable State and local governments and must recognize in its operation the momentous forces that are shaping the future. As I have suggested, State after State is finding itself in the unprecedented situation where the growth of State and local problems has been at a rate far greater than the financial capacity these governments now possess to cope with them.

Two great domestic movements have already wrought profound changes in all phases of American life and have generated immense

pressures on State and local governments. These are urbanization and the technological and scientific revolution whose effects are felt throughout society. The increasingly complex and challenging problems as well as opportunities of metropolitan living are the fruits of an urban culture. The unprecedented need for educated men and women is the major social product of the new technology. All told these represent a staggering responsibility for traditional forms of government. I would like to elaborate on these trends because they are really critical to an appreciation of our dilemma at the State and local level and point to the kinds of problems that I visualize as falling within the purview of the proposed Commission.

In many States, including Michigan, these two developments have generated unusual pressures on government because of an incredible population growth, particularly in urban areas. We are accustomed to an expanding population. It is one of the persistent facts of modern life. But what we are witnessing in most regions of the country is a population thrust of such proportions that one needs no sixth sense to have foreboding of trouble. Census figures reveal a national growth between 1950 and 1957 of 13 percent.

Unfortunately for State and local government in States like Michigan, this growth has not been evenly distributed among the States and certainly not within the States. Only 10 States experienced a percentage population growth of more than 20 percent from 1950–1957. Only 3 among these 10 could properly be termed populous and predominantly urban States—Florida, California, and Michigan. The problems attendant upon this population explosion can, therefore, be observed in their fullest development in a State like Michigan which has been the fastest growing State in the midcontinent, and among the 10 fastest growing States in the Nation. It is obvious that Michigan, California, and several other large, rapidly growing States not only are faced with problems on a magnitude and more intense than those in other States, but in attempting to meet these problems come up against obstacles other States have not yet encountered.

Metropolitan area governments have run into the same situation. Because this fantastic population growth tends to concentrate around our major cities, the variegated problems of metropolitan living are not shared by all communities. The Council of State Governments prepared a report to the Governors' Conference in 1956, entitled "The States and the Metropolitan Problem." It contained some revealing statistics. Between 1940 and 1950, metropolitan areas accounted for more than four-fifths of the total national gain. For the 5-year period, 1950–55, however, metropolitan areas gained 13.7 percent in population, while the remainder of the Nation increased by only one-half of 1 percent.

Michigan statistics tell an equally dramatic tale. Since 1940 there has been a steady decline in the percentage of Michigan's citizens living outside of the State's seven major metropolitan areas. In 1957, nearly 68 percent of Michigan's people lived in one of these population centers, all of which are concentrated in the southern strip of the State and particularly in the six southeastern counties around Detroit.

These figures only portray one dimension of this growth. While it is true that metropolitan areas have developed at a breathtaking rate,

this expansion has been concentrated along the fringes of our great cities. Nationally, while metropolitan areas increased by over 13 percent from 1950 to 1955, central cities grew by only 3.8 percent, while the peripheral areas shot up by 27.8 percent. The Detroit area reveals an even more startling pattern. A recent market survey done by the Detroit Times shows that between 1950 and 1958 Detroit added only 3.1 percent to its population, while the urban fringe has expanded by over 67 percent.

What this population explosion has meant governmentally is not a matter of speculation. While we welcome this growth as evidence of the dynamism, strength, and wealth of our State and its economy, and as eloquent testimony of the faith people have in its future, we also know only too well the problems that this progress carries with it.

While I can speak knowledgeably only of Michigan, I am positive our experience is not unique. Conditions of congestion, rising population density and both residential and industrial obsolescence in the older parts of the cities, coupled with the growth of new settlements in the suburbs, have produced inescapable needs for more community facilities, expanded and improved services and more effective and efficient government.

As more people are drawn to our urban centers the most apparent demand is for adequate transportation facilities. Every city in Michigan is wrestling with sticky transportation problems ranging from the support of increasingly inefficient mass transit systems to accommodating a virtual flood of traffic gushing into main arterial highways and streets. Expressway planning and construction, traffic control, accident prevention, expanded parking facilities and adequate terminals for business, commercial and industrial requirements suddenly erupt as major governmental concerns. The Detroit area, for example, has enjoyed a 35.6 percent increase in automobile registrations since 1950 and you have only to get caught up once in rush-hour traffic on one of Detroit's expressways to have this fact brought home with somewhat pungent saliency. Urban areas have been able to begin coping with this challenge only because the Federal Government through its various highways and expressway aid programs has provided the financial capacity necessary to undertake the job.

Improved transportation has meant intensified outward mobility of the metropolitan population. Multiple problems have been thrown up by this human tide. Again the most obvious are those directly affecting people. Water supply, drainage, and sewage disposal have without question been the most disrupting. Inadequate platting laws and public health regulations not only conspire to make life less than utopian for the suburbanite, but tend to inhibit potential growth. Present water, drainage and sewage facilities are taxed to the limit and beyond as the multitudes settle in suburbia.

In the Detroit area alone there has been a 76.9-percent increase in new home construction since 1950. Eventually, because there has been no proper planning for this flood of new settlers, maximum capacities are exceeded and if State public health officials do not call a halt to further development, local officials find themselves incapable of handling the rising influx. Fortunately, the Federal program of financial assistance for municipal sewage treatment facilities has provided some needed reserves of capital, but valuable as this has been, it

has not been more than a stopgap. There are several critical areas in southern Michigan where water and sewage systems have reached maximum capacities, but because of local governmental jurisdictional disputes and a combined financial incapacity born of inadequate tax base and borrowing power, needed expansion has not been possible.

The centrifugal population pressures have produced serious land-use problems, some of them beyond the fiscal competence of local units. We have increasingly become conscious of the need for orderly land-use programs if we are not to compound the grievous errors committed when the central cities expanded.

As people and industries leave the central city for more desirable locations on the periphery, they leave behind them a residue of problems that have been termed "urban blight." This includes obsolete business, commercial, and industrial sites, as well as decaying residential neighborhoods and outright slums. New communities may and are taking preventative measures to nip these plagues in the bud by imposing zoning and planning regulations. But for the older reaches of the metropolitan area drastic surgery, not preventative medicine, is needed. Again, only through the various Federal loan and grant programs for slum clearance, urban renewal, and rehabilitation and public housing have our large cities been able to undertake even the modest remedies they have.

Education, while part of the emergent package of urban problems, poses unique challenges of its own. Maintaining a system of public education has traditionally and properly been a major responsibility of local government. I feel deeply that this, as much as anything else, has been a major bulwark to the diversity and strength of the American system. We must preserve this tradition.

Having said this, however, I must immediately add that it is increasingly doubtful if State and local governments can continue to bear the almost complete financial support of education, under present tax conditions. In Michigan, the financing of public education has historically rested upon local property taxes. These levies have gradually reached a level that has become onerous to residential property owners and unjust to business and industrial property holders. As a result, the State has increased its support of public education through State aid payments to local school districts. We have about reached the point where even State aid has hit its realistic maximum, and the question remains unanswered—where do we go from here?

If it were just a matter of maintaining a school system geared to the rate of population increase, we might be able to see our way through. This is not the case, however. During the past 10 years, while Michigan's population has increased about 22 percent, our school population skyrocketed by 53 percent, and we expect this trend to continue for another decade at least. The statistics here are young people, scores of whom are yet to be born. Live births in Michigan increased from an average of 84,000 annually during the forties to the current annual average of 200,000. Between 1950 and 1957, we witnessed a 30-percent increase in live births.

What this means for our schools is obvious. There has been an incredible piling up of children in the State's classrooms and unprecedented demands for teachers and facilities. The national projec-

tions indicate about 20 percent more children enrolled in public schools by 1965. In Michigan we expect nearly 40 percent more students, or about double the national estimate. I am sure that the other rapidly growing urban States could report similar prospects.

Equally challenging for the States and those local governments supporting institutions of higher education is the maintenance of publicly supported colleges and universities at a level commensurate with the increasing demands placed upon them by the rapidly changing technology of industry, commerce, and government. We in Michigan have been acutely aware of this responsibility because the great majority of our college students attend publicly supported institutions. Among the populous, urban States, only California puts a greater amount of State funds per capita into higher education than does Michigan. About one-fourth of Michigan's general fund budget is allocated to our nine State-supported colleges and universities.

Michigan, California, and a number of Western States spend more per capita for higher education than do many other States. Historically, these States have accepted the major responsibility for higher education whereas other States, such as New York, Ohio, Illinois, and Massachusetts, to name a few, have traditionally relied more on private colleges and universities. Michigan makes no apology for its superb institutions of higher education and we intend to maintain and improve their standards. We feel that higher education is both a legitimate and desirable function of State government and we will continue to build those institutions so they may keep pace with both the flood of new students produced by a growing population, and the need for educated and skilled people generated by an increasingly complex society.

It is certainly not my suggestion that support of higher education should become a Federal responsibility. But I do maintain that the quality and capacity of institutions of higher education are matters of utmost concern to the Nation and that there is a need to explore avenues of assistance to higher as well as to elementary and secondary education.

This summary has only touched dramatic highpoints of what population growth has meant for most State and local governments. I have not even mentioned the great social and cultural undercurrents running through our urban centers and what these portend. I have not discussed the problems created by improved health standards. More babies are born and live. Older people live longer, and need special care. I have not posed the yet unanswered questions concerning recreation and leisure time that will assume pointed urgency as the social consequences of automation and greater life expectancy catch up with us. There are the new and baffling public health problems generated by chronic illness and environmental disease, air pollution, and radiation hazard. And I did not dwell at all on those more familiar functions of State government that at times struggle in vain to maintain their service levels—mental hospitals, correctional institutions, welfare agencies, and conservation programs.

My only purpose in elaborating what must by now be a familiar story to you was to underscore the reasons why so many State and local governments seem to be gripped in crisis. I do not suggest that the Congress or agencies of the Federal Government should assume

what are properly the responsibilities of the States and municipalities. I do suggest quite emphatically, however, that the Federal Government has a stake in maintaining a vigorous and effective system of State and local governments, and that unless serious study is given to the genuine problems engulfing them and realistic programs devised to assist in resolving these problems, we will all lose in the process.

3. It is generally recognized that a basic responsibility of the Federal Government is maintaining full prosperity and full employment. Only the Federal Government with its national fiscal and regulatory powers is in a position to cope with the problems of a national economy. Statutory recognition of this unique responsibility was provided in the Employment Act of 1946, and while there may be differences over the contents and implementation of the policy, few knowledgeable people will dispute its legitimacy and propriety.

Management of a national economy inevitably involves State and local as well as national affairs. Understandably of interest to State and local governments are those programs shared with the Federal Government that relate directly or indirectly to prosperity and employment. I refer, of course, to programs in the public assistance, health and medical, education, urban renewal and housing, agricultural, employment, and highway fields. But these are not the only matters that are and should be of concern to State and local officials. The monetary and tax policies pursued by the Federal Government have widespread repercussions in the operations of State and local governments. The scope and magnitude of public works, law enforcement, management-labor relations, and other Federal policies are of vital concern ot State and local governments. To paraphrase my earlier statement, while we live in States, cities, towns, villages, and farms, we are all part of the same Nation and prosper or suffer as workers in the same national economy.

Federal action or inaction, therefore, affects people and State and local units of government throughout the Nation. While the maintenance of full prosperity and full employment in the final analysis requires national answers, there are plenty of local questions involved. Your report indicated the need for flexible federalism and that the responsibility for public service should be decentralized to the maximum extent consistent with the maintenance of responsible and effective government.

I agree and would add this footnote. Even with respect to those domestic areas where the Federal Government has by necessity and circumstances the major responsibility for policy and action, there is much to be gained by the kind of continuing analysis provided by the proposed Advisory Commission. It seems eminently sensible to me for representatives of Federal, State, and local governments to consider, discuss, and advise on these matters that cut across and through governmental jurisdictions and which are of deep concern to all levels of government.

4. One of the interesting sections of your report related to what are termed "impediments to decentralization." These impediments were cited as major considerations limiting any immediate reduction in the various Federal grant activities. They have also been strategic factors in the assumption of programs by the National Government that perhaps should properly have been undertaken by the States. In

addition, they are important inhibitions to more responsive and effective State programs to accommodate those pressures I discussed earlier.

We in Michigan have met or are meeting the need for greater local home rule and administrative reorganization. Michigan's constitution contains one of the most generous home rule provisions, and while this does not extend complete autonomy and discretion to local governments, it does grant broad powers of self-government. Michigan is also among the few States that have undertaken the challenging task of administrative reorganization. Last year the legislature enacted a reorganization bill empowering the Governor to reorganize the administrative branch of government subject to legislative veto. I believe we are on the way to substantial improvement in governmental efficiency through reorganization.

Most significant among these impediments, I feel, is the unrepresentative character of most State legislatures. A quick survey of the legislative articles of the States' constitutions shows how pervasive this problem really is. Nearly every State suffers unrepresentative legislative bodies. In some, this is due to persistent legislative refusal to reapportion so that representation approximates population distribution. Some States, for example, have not had legislative reapportionment since the turn of the century, despite the vast growth of cities and the relative decline of rural and nonurban population. In other States there has been deliberate gerrymandering in favor of the nonurban areas. What we have in Michigan is not uncommon among other States. The Michigan constitution defines the senatorial districts, and you may be sure the result is anything but representation based upon population. Wayne, Oakland, and Macomb Counties, with about half the State's population, are represented by less than one-third of the State senate.

Your report states that "the matter of equitable legislative representation goes right to the heart of democratic government." I could not agree more wholeheartedly. Legislative reapportionment and constitutional revision—they are intimately connected in most States—are reforms of the highest priority if State governments are to be responsive to the genuine needs and wishes of their constituents, and effective in supplying the services and programs essential for our time.

Legislative bodies familiar with and responsive to the needs and wishes of the nonurban minority have not and perhaps will not enact State policies so urgently required by an expanding metropolitan population. This is an area of reform that must be initiated and carried through by the States, and we will probably need all the advice and assistance we can get.

5. The Federal Government has seen fit on numerous occasions to buttress important State functions with its superior and more stable revenue system. Over the years, through the use of grants, loans, and tax offsets, the National Government has worked through State and local governments to accomplish desirable and legitimate goals—unemployment compensation, airport construction, municipal sewage disposal, highways, public assistance, public housing and urban renewal, vocational education and rehabilitation, water pollution, public health, and many others.

Frequently the impetus for these programs of Federal-State-local cooperation developed out of State inaction or inadequate action. The programs were and are needed, for there is no evidence that if they were to be turned over to the States under present conditions of legislative representation and State revenue systems the programs would be maintained at their present levels. Indeed, at times we have difficulty in obtaining sufficient money to match the Federal funds.

It may well be, however, that as State governments become more responsive to their predominantly urban constituents through reapportionment, become more efficient instruments of public service and develop more adequate revenue systems, some of the functions now shared by the Federal and State Governments may be assumed by the States. I don't think we are ready for this yet, but as conditions change it may be desirable to consider such transfers in responsibility. An Advisory Commission would serve as a useful vehicle for the kind of continuing review necessary if such transfers are to be made on a realistic basis that will assure that the States possess both the capacity and the desire to carry on.

In other areas where either the Federal and State Governments may act it would be desirable for continuing studies to guide both Federal and State officials. Often States are uncertain about what direction State policy should take where the Federal Government has preempted the field or where Federal policy has not followed a consistent pattern. I am thinking particularly of the area of labor-management relations where Federal policy tends to change from time to time. Even in the highway program Federal policy has not been consistent over the years. The question has again been opened concerning State action in the area of sedition and subversive activities.

These are all policy fields that are subject to many unanswered questions and gaps. The Advisory Commission would make a significant contribution, I think, if it were to review the areas of coordinate Federal and State responsibility with a view toward raising those unresolved questions of jurisdiction and responsibility that should be considered by both the Federal and State Governments. I am not suggesting any specific directions that either the Federal or State Governments should take, but rather recommending that this important series of problems be given the kind of study that an Advisory Commission could provide.

6. Considerable success has been achieved by cooperative Federal-State action in administering uniform national policies through State and local governments. The unemployment compensation and the interstate highway programs come immediately to mind as examples.

Should this pattern be applied to other areas now considered the primary responsibility of either Federal or State Governments? Can this cooperative example be extended to yet unexplored areas of taxation, service, and regulation? I don't presume to know the programs that might admit of such an arrangement or to suggest that they should be so handled.

There is no question in my mind, however, that the whole range of Federal activity should be analyzed constantly with a view toward relieving it of those responsibilities that can be done better or just as well by the States. I suggest this because I feel that the Federal Government should be strengthened in its capacity to do those things

which it alone can do. Specifically, I think this encompasses the crucial tasks of foreign relations, national security and economic stability.

We should find ways of clearing the decks of Federal responsibility in order that the President and Congress may concentrate more and more on the management of the national economy and the conduct of foreign policy. For a number of important domestic programs, it may be desirable for the Federal Government to establish basic national policies and for State and local government to administer these policies operating within discretionary limits and observing national standards provided in the basic policy.

While I would be the first to admit that the suggestions made in this statement are tentative and require further and careful study, I do feel they merit precisely that—further and careful study. I have indicated what appear to me to be the major issues confronting the American Federal-State system. Study of these issues is the basic reason why I feel the proposed Advisory Commission on Intergovernmental Relations is desirable and should be established. Therefore, I urge favorable committee consideration for H.R. 6904 and recommend its quick enactment by the Congress.

Representative FOUNTAIN. Thank you for a very important and a well-prepared statement.

I would like to say I agree with your observations on page 2 that the problems of intergovernmental relations go far beyond the grant-in-aid programs.

As a matter of fact, when our subcommittee was engaged in determining what we should attempt to cover, we very quickly concluded that because the field of intergovernmental relations is so vast and our time so limited, even though we devoted considerable time, we probably should concentrate our attention first on the Federal grant-in-aid programs about which so much had been said in the Kestnbaum Commission report and which are of concern to so many people.

In fact, we pointed that out in the preface of our 30th report, which said:

> The subcommittee is aware of the many nongrant areas of intergovernmental relationships where significant frictions or jurisdictional ambiguities exist and which require early attention if we are to preserve a healthy Federal system. These include regulatory activities, law enforcement, water and other natural resource policies, and the management of public lands and military installations. While some of these problems were raised in hearings or in questionnaire responses, the subcommittee has not yet attempted any systematic study of these matters and, consequently, they are not treated in this report. Neither has the subcommittee concerned itself with the question of the proper demarcation between public and private areas of economic responsibility.

After we had studied the testimony, we concluded that this is a field requiring continuing study, as was so well pointed out in the letter which Mr. Kestnbaum wrote to the President in transmitting his Commission's report. And because the field is so vast, we concluded that the logical step was the introduction of legislation of this kind, designed to establish an Advisory Commission which would function as a continuing agency, clothed with the responsibility for continuous study in this vast field of which Federal grants-in-aid are only a part.

Governor WILLIAMS. Mr. Chairman, I didn't mean to seem to be criticizing. You had done so well in the field you had gone into, I wanted to encourage you to look elsewhere.

Respresentative FOUNTAIN. I did not construe it as that. I simply wanted to concur with you. I wish the subcommittee could have gone further, but the extent to which we did go into it satisfied us that something more needed to be done.

I would like to say also, Governor, that Senator Muskie was very sorry he could not be here this morning and asked me to express his regrets. He had had a longstanding engagement in Maine and found it impossible to be here. He did want to be present when you appeared before the committee.

Mrs. Dwyer?

Representative DWYER. No questions.

Representative FOUNTAIN. Mr. Smith?

Representative SMITH. I just have one question, here. I am impressed with these precise figures on the increase in the indebtedness and the expenditures of the States. I knew it was considerable but I didn't realize it was quite that much.

In view of that, I wonder just how practical it is to suggest that the States might be able to take on more expenditures that the Federal Government now makes. Do you think that really can be accomplished?

Governor WILLIAMS. Mr. Smith, I think that the States have the innate ability to raise further taxes if they would but I think this sort of blanket they throw over the States to dampen their enthusiasm of the argument of interstate competition for business means that the States have reached a practical limit at least for the time being until they overcome this argument.

Now this argument could be overcome in a number of different ways, as I suggest at the bottom. We had a problem many years ago where States got into the field of inheritance taxation. And then there were a few States that didn't tax inheritance at all. As a consequence, all of the rich people who were footloose went to those States where there was no inheritance tax and other States then had difficulty in having proper taxes.

The Federal Goverment then stepped in, I assume at the request of the States and passed an overall death tax giving the States credit for the taxes they had and thereafter all of the States got into this field of taxation.

I feel that either through compact or through some Federal arrangements, the States can be encouraged to exercise their taxing power commensurate with the job that has to be done and I think that while I don't want to here give any specific formula, I think that this is something that has to be done or otherwise the States will fail to do their jobs and the Federal Government will get more and more piled onto it. And there is one of the reasons why I feel strongly that a council of this kind would be of tremendous importance. If studies were made to show why the States were not performing their functions and to what degree they are not performing them, then I think the people of the country would rise up as Mr. Kestnbaum said, and not only discuss this but do something in order to give back to the States the powers they should have.

Representative SMITH. Just for example, not asking you to say what you think of it, but I have proposed a time or two that perhaps the Federal Government could levy 10 percent more income taxes and then give it to the States in one check on the condition they would do away with their income tax laws and departments. This would save all that overlapping and detail and investigations and arguing and all that.

Do you think if some formula were found whereby additional money could be given through the Federal taxing powers to the State, do you think they would exercise responsibilities in these areas that the Federal Government has stepped into?

Governor WILLIAMS. I think this is one of the distinct possibilities. It may be first that there would have to be some minor directions from the Federal Government in the utilization of these funds or instead of just giving them that grant, maybe they would have to tax themselves and get an equal credit.

I think this is a very distinct possibility of improving our Federal system.

Representative SMITH. Anyway, you view this committee perhaps through its studies and so forth, as pointing out the area——

Governor WILLIAMS. I do and the system you mention if I understand it correctly, is not too far from what they do in Canada, where they return a portion of their income taxes.

Representative SMITH. As a matter of fact, your previous example of the estate tax is practically the same thing.

Governor WILLIAMS. No; I think things of this nature certainly have to be tested and experimented with. We can't be sure that the first method we suggest will achieve the results that we want, but unless we are working at this, we are not going to get the answer and I do feel that if we let things just slide, the State powers are going to atrophy.

Representative FOUNTAIN. Mr. Hoffman.

Representative HOFFMAN. I have read your statement which was given me as you came in. It is certainly comprehensive and has many suggestions which warrant careful study.

I notice on page 4, paragraph 4, you make the statement that the people came to the Federal Government because they didn't get what they wanted of the States.

Now what would you say about the proposition that, while the people do not ask anything of the State legislatures or of the executive branch which is not good and desirable, the sad fact remains that the States do not have the money to comply with their demands?

Governor WILLIAMS. If I understand your question correctly, it is sort of the question of the egg and the chicken. Where are you going to break into this unfortunate circle? The States, as far as any constitutional power goes, have all the power necessary to levy taxes. If they wanted to, they could raise as much as the Federal Government, but because of a sense of competition between the States, not to get out of line, I think there has been a dampening on the use of their powers.

I don't feel that there is any inherent legal reason why the States shouldn't have the money.

Representative HOFFMAN. Then your answer is in substance that taxes sufficient to meet the demands of the people should be levied by the States?

Governor WILLIAMS. That is exactly right, but there are forces opposed to that. As Mr. Kestnbaum pointed out, the people who say that the States should do certain things—that is as a general rule, that the States should do it rather than the Federal Government—then when specific actions come up that should be supported in the States, then they go there and defeat the specific action in the State government.

Representative HOFFMAN. But the people who make the demands as a rule don't pay the bulk of the taxes; do they?

Governor WILLIAMS. Well, I don't thing that is true. I think one of the largest demanding groups is the cities. The cities need help for education, they need help for public works of all kinds and by and large as you know in our own State of Michigan, it is the urban areas that provide most of the tax and get the least of the benefits.

Representative HOFFMAN. But it is true, isn't it, that the people are asking for more than they can pay for? Maybe they are not asking for anything that isn't good. Certainly, they are not asking for anything that isn't desirable for some particular group, but the overall demands just exceed the ability of the State to pay.

Governor WILLIAMS. Well, it all depends upon what you mean is the ability of the State to pay. In taxes we are paying a relatively small percentage of our gross national product and there is no reason why if we wanted to, we couldn't pay more.

Representative HOFFMAN. What I mean by inability to pay is, where there is taxation that prevents the accumulation of a surplus which can be invested and give employment. If you take away all a fellow's profits, he can't create a job, that is sure.

Governor WILLIAMS. The dollars and profits left after taxes certainly is sufficient to do a lot more if the people want to do it.

Representative HOFFMAN. And want to pay for it.

Our situation in Michigan, if I understand it correctly, and I don't know very much about it, is that the folks just want more than we can pay for or more than they are willing to pay for.

Governor WILLIAMS. I would put it differently: They want more than they want to pay for. Not that they want more than they can pay for. They could pay for a lot more if they wanted to.

For example, in education. We talk sometimes slightingly about some of our southern neighbors not supporting education. But the interesting fact is that many of the Southern States pay a greater percentage of their income for education than does the State of Michigan.

Representative HOFFMAN. That is because we are one of the wealthiest States, I suppose.

Governor WILLIAMS. Yes, that is one of the reasons.

Representative HOFFMAN. Well I cannot continue. There is a quorum call and I assume you all want to answer. It has been very nice to have you, Governor.

Representative FOUNTAIN. I am sure there are many questions all of us would like to ask, but we are familiar with your schedule.

Governor WILLIAMS. Mr. Chairman, before you sum up, Mr. Langen asked a question and I hoped he would ask it of me so I didn't put it in my response. This might be well to have on the record and that has to do with what this council could do after it was appointed, whether it should be merely factfinding or whether it should go further.

Well in my mind just as you indicated, there is a tremendous need for applied research in this field. I think we can go a lot further and I think as Mr. Kestnbaum reported, as we get the facts, then experts in the field will be able to come up with suggestions that will be helpful.

I think it is important, too, not only to be a factfinding group, but I think it is important to have all of these various elements in our governmental system—the Federal, the State, and the local—to sit down together and discuss their problems.

I think this catalytic element is tremendously important. I discovered, for example, that when some time ago I called in a group of the mayors to talk with me as Governor that this was the first time that any of the mayors could remember that the Governor had ever called them in as mayors to discuss municipal problems.

Well we certainly haven't solved all their problems but at least we have them out on the table and know some of the things that we have to do.

I think that getting people together will be one of the tremendously important and vital elements of the operation of this council.

And finally I do think that it can give advice to the several levels of government and I think perhaps it will stimulate the other groups, like the Governors' Conference and so on, to go into some of these problems. So I see that this council will have a great many duties and opportunities other than just factfinding.

Representative FOUNTAIN. I quite agree with you, Governor. In fact, I had a notation to ask you that question. If it were not for the quorum call, I probably would have already asked it, so I am glad that you commented upon that.

As a matter of fact, I understand that quite a few of the State legislatures have a committee on intergovernmental or interstate cooperation. If a commission of this kind could encourage every State legislature to establish and use such a committee, these committees might well perform an important educational function, and even help to educate State legislatures in connection with some of these problems. I think you have touched upon one of the key things and that is the opportunity to be represented and to be heard. The establishing, as Mrs. Dwyer expressed it, of lines of communication would enable the various levels of government to feel that they are responsible partners in our system, that they have an opportunity to sit around the table and discuss their problems and are not being ignored.

There is one other question I do want to ask you, Governor. Do you have any comments to make about the general organizational arrangements and membership composition contemplated by this proposed legislation?

Governor WILLIAMS. As I examined it, it seemed to be a rather reasonable method of putting it together and I felt it was more important to have such an organization than to argue about the details of it.

Representative FOUNTAIN. I can understand that. I don't know

whether you were here when Mr. Kestnbaum commented upon this or not, but, if I recall, he expressed the point of view that it is more important that the thinking of the various levels of government be represented than it is that we have so many members from each of the levels of government. We didn't think the question of size was too important. I wonder if you have any comment upon that?

Governor WILLIAMS. I would agree with Mr. Kestnbaum that it is important to have the levels of government represented but I would imagine, since this is a pretty broad country of ours, that a city in one part of the country would have a different feeling from a city in another part but more important I discovered when I brought our mayors together, there was a wide cleavage between the big cities and the little cities and unless you had an opportunity to get representation within the groups—and I suppose this might be true in the States as well—that you really wouldn't get all the problems on the table.

Representative FOUNTAIN. I quite agree with you. Are there any other questions for the Governor?

Thank you very much for a most thought-provoking statement, Governor. We appreciate very much your taking the time to come here for this hearing.

The committee will stand in recess.

Before the committee is recessed, I would like to mention that we have received statements from Governor Furcolo, of Massachusetts; Governor Clyde, of Utah; Governor Chandler, of Kentucky; and Governor Daniel of Texas, which will become a part of the record along with the statements previously received by the committee. We also have a statement from Senator Kefauver who is a cosponsor of the Senate bill.

I would like to say that all of the statements that are received, if there is no objection, will be made a part of the record.

(The statements follow:)

STATEMENT OF HON. CLIFFORD P. CASE, A U.S. SENATOR FROM THE STATE OF NEW JERSEY

Mr. Chairman, as one of the many cosponsors of S. 2026, I am pleased to have this opportunity to reiterate my support of the establishment of a permanent Advisory Commission on Intergovernmental Relations. That so many Senators from both sides of the aisle have joined the distinguished Senator from Maine, Mr. Muskie, in sponsoring this bill, is a strong indication of the need which is felt for the creation of such a commission at this time.

I am also pleased that identical bills have been introduced in the House of Representatives by Representative L. H. Fountain, of North Carolina, and Representative Florence P. Dwyer, of New Jersey. As chairman of the House Intergovernment Relations Subcommittee, Representative Fountain has played a leading role in the extensive studies which were undertaken by that group in this field and which resulted in the introduction of the legislation before us today.

Representative Dwyer, the ranking minority member of the House subcommittee, now holds the seat in New Jersey which I once occupied as Congressman and which was more recently held by my colleague, Senator Williams. I am proud of the work that Representative Dwyer has done on behalf of this proposal.

The need for a permanent Advisory Commission on Intergovernmental Relations has been frequently demonstrated by events in U.S. history. Under our federal system, the allocation of power between National, State, and local governmental units has presented recurring problems of jurisdiction which have plagued courts and legislatures, and even at times resulted in armed conflict.

No one would deny the genius of the men who devised the American Constitution in 1787—certainly the federal system has proved a remarkable means of enabling a large and heterogeneous population to govern itself effectively with a minimum degree of restriction—but, at the same time, the very nature of the system provides points for controversy and interpretation.

Consequently, American history is replete with examples of political struggle centering around disputed areas of Federal jurisdiction. The literature, political and judicial, arising from these struggles provides a rich and comprehensive addition to the science of government. In an effort to clarify areas of jurisdictional conflict between the various levels of government, the courts have handed down countless decisions—ranging from taxation and commerce to subversion and labor legisation. Legislators and executives have struggled with equal intensity to delineate the areas of intergovernmental operation, adding their own wisdom to the debate.

In some cases, a legacy of suspicion and animosity has developed which has tended to impede the orderly solution of intergovernmental problems. Following its regional hearings on this subject, for example, the House Subcommittee on Intergovernmental Relations voiced its surprise and alarm at the extent of the animosity shown by city officials toward State government. Similar hostility has been evidenced, in turn, by State government officials in their relations with the Federal Government.

Up to a point, such conflict may be a good thing. In a democratic society it is necessary that all points of view be heard, even if heard loudly and with emotion.

But a point is frequently reached when conflict of this nature is self-defeating and injurious to the health of the Nation. Particularly so when it prevents or curtails the amelioration of problems which may affect the welfare of future generations. We cannot afford, in these times of accelerated social and economic movement throughout the world, to let needless constitutional conflicts impair our ability to meet the responsibilities imposed on us by our unique position of international strength and leadership.

The need for smoother functioning of our federal system has become particularly apparent over the last two or three decades. A number of significant changes have occurred in our society which will require continuing and far-reaching attention. One is the tremendous upsurge in population growth which has created unforeseen problems in housing and education. Another is the rapid shift from rural to urban and suburban living. Both of these changes have been associated with equally phenomenal developments in technology and industrialization—developments which have both favored and complicated the trend toward metropolitan expansion.

As a result, government on all levels has expanded to meet the problems engendered by these changes. The growth of government has been particularly apparent on the national level where the additional requirements of national defense and international responsibility have forced an accelerated expansion far greater than any of us might have predicted or expected a decade ago. The States have also increased the size and scope of their governmental activity, partly on their own initiative, and partly on the encouragement of Federal grant-in-aid programs.

The interrelation of Federal, State, and local governmental units brought about by this growth has in turn created problems of its own. Our federal system has had to adjust in a manner undreamed of by our Founding Fathers. Since much of the expansion in government has been on an ad hoc basis, it is perhaps only natural that inefficiency and confusion have frequently accompanied this growth. But it is imperative, for the future, that efforts be made now to insure a more fruitful cooperation between the various levels of government. The proliferation of grant-in-aid programs alone demands continuing study and evaluation. And there are numerous areas of jurisdictional conflict which should receive more attention, particularly in relation to current growth trends.

I am convinced that the establishment of a permanent Advisory Commission on Intergovernmental Relations would do much in this direction. It is a practical idea and one that could result in concrete suggestions for the improvement of our federal system. By bringing together officials and experts from all levels of government, the proposed Commission can foster a spirit of cooperation and understanding which is so essential to a proper functioning of a federal system, and which in turn could pave the way for significant improvements in the administration of cooperative programs.

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More than ever, we need a group of this nature to study the continuing impact of a growing society on a system of government that was originally established for a rural nation of only 3 million people. Thanks to the flexibility of our Constitution, we have been able to adjust to the enormous changes which have taken place since that time. Today, however, we live in an age in which the consequences of change are much more immediate and significant than they were 170 years ago. If we value the basic outlines of our federal system, with its balance of National and State jurisdictions, we must pay more constant attention to the problems associated with intergovernmental relations.

I believe that the proposed Commission would prove a valuable and necessary device for the betterment of our system of government.

U.S. SENATE,
COMMITTEE ON BANKING AND CURRENCY,
June 15, 1959.

Hon. EDMUND S. MUSKIE,
Committee on Government Operations,
U.S. Senate,
Hon. L. H. FOUNTAIN,
Chairman, Intergovernmental Relations Subcommittee,
House Committee on Government Operations,
House of Representatives, Washington, D.C.

GENTLEMEN: As a cosponsor of S. 2026, which has been introduced in the House of Representatives as H.R. 6904, I earnestly commend that bill to the attention of the Senate and House Committees on Government Operations.

S. 2026, which would establish an Advisory Commission on Intergovernmental Relations, deals with a problem which has perennially plagued our federal system, and which has become more pervasive and more acute with the increasing role of the Federal Government in our society. It is high time that the entire problem of relations between the States and the Federal Government be given systematic and sustained attention on a broad basis, since piecemeal attack on the problems of conflict of jurisdiction and administration between them has proved inadequate.

I wish to invite the attention of your committees particularly to the fourth and fifth purposes set forth in section 2 of S. 2026, expressing the intention that the proposed Commission, in the performance of its duties, will—

> "(5) Encourage discussion and study at an early state of emerging public problems that are likely to require intergovernmental cooperation; and
>
> "(6) Recommend, within the framework of the Constitution, the most desirable allocation of governmental functions and responsibilities among the several levels of government."

Two current problems in which I have taken a particular interest demonstrate the importance and the urgency of a broad study of these intergovernmental relations. As a member of the Senate Committee on Labor and Public Welfare, I have had occasion to struggle with the problem of the so-called no-man's land between the functioning of the National Labor Relations Board on one hand and State courts and agencies on the other, and I have been made particularly aware of the difficulty of reaching a wholly satisfactory solution in the absence of broad generally accepted canons of principle governing the areas where there is a gap or overlap in the exercise of the powers of the States and the Federal Government. S. 1555, the Labor-Management Reporting and Disclosure Act, of which I am a cosponsor and which is now pending before the House of Representatives, makes an earnest attempt to deal with the problem in a workmanlike way; but I do not believe that there is anyone who is sure that it offers the perfect solution.

Another problem has lately arisen in connection with section 13a of the Interstate Commerce Act, which was adopted as part of the Transportation Act of 1958. Section 13a gives the Interstate Commerce Commission authority to permit the discontinuance of individual trains and ferries in intrastate as well as interstate service. The Public Service Commission of the State of New York has expressed grave apprehension as to the possible effect of section 13a in interfering with the established pattern of regulation of transportation facilities. I have, therefore, in company with Senators Case and Williams of New Jersey, and Senator Keating of New York, cosponsored S. 1331, which is now pending before the Senate Committee on Interstate and Foreign Commerce and which would substantially mitigate the evils inherent in section 13a.

In order to forestall such conflicts of jurisdiction, and to make the law of our federal system the seemless web which it ought to be, consideration of the relations between the States and the Federal Government by such a body as the proposed Advisory Commission on Intergovernmental Relations would, in my opinion, furnish a real contribution to our federal system, by working out principles of broad application which would determine the policies of the States and of the Federal Government in this area.

Sincerely,

JACOB K. JAVITS.

STATEMENT OF HON. ESTES KEFAUVER, A U.S. SENATOR FROM THE STATE OF TENNESSEE

Mr. Chairman, I appreciate the opportunity to offer this statement in behalf of S. 2026. I was delighted to join with Senator Muskie in cosponsoring this bill.

The ever-increasing complexities of intergovernmental relations, especially as concerns Federal grants to local governments, has established a great need for a more efficient coordination of these programs between the various levels of government.

In public works projects, particularly, where contributions are made by county, State and Federal Governments, a proper liaison on the overall problems would be most helpful in reducing duplication of effort.

I think also, that frequent discussion between the officials from the various levels of government, could lead to better planning and programing of many projects, with a view toward expediting in areas where complicated exchanges of views and correspondence often retards the achievement of results.

In its broadest sense, S. 2026 would, I believe, help tremendously in bringing about a better understanding of mutual problems among officials of local, State and Federal Governments.

Such an intergovernmental advisory commission as S. 2026 proposes would also be of great value to the various committees of Congress in providing a broad perspective of the total picture of the programs which now originate in many committees and are directed to many different jurisdictions. Coordination of tax resources is still another advantage that can be brought about through the functions of the proposed agency.

I believe Senator Muskie has offered a well-prepared proposal to which he has given much thought. Its objectives are most worthwhile and the costs of implementing this program do not seem excessive for the long-term results that the bill promises.

I offer my enthusiastic support, as a cosponsor, and urge that the joint committee report it favorably.

June 18, 1959.

STATEMENT OF HON. ROBERT R. BARRY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. Chairman and members of the committee, I wish to express my thanks to you for providing me with this opportunity to speak in behalf of what I consider good government operations.

The philosophy of government as defined by the President's Commission on Intergovernmental Relations is so perfectly in accord with my own and so much better expressed than anything I might attempt, I should and shall merely quote the same.

"Leave to private initiative all the functions that citizens can perform privately; use the level of government closest to the community for all public functions it can handle; utilize cooperative intergovernmental arrangements where appropriate to attain economical performance and popular approval; reserve national action for residual participation where State and local governments are not fully adequate, and for the continuing responsibilities that only the National Government can undertake."

The bill under consideration today would provide a forum for discussion by Federal, State and local officials of Federal grant and other programs requiring their individual and concurrent efforts. Their common problems are many and require the wholehearted understanding and cooperation of all.

I believe that this bill will provide the answer to a great number of these problems and at the same time protect the inherent sovereignty of each level of government.

June 22, 1959.

STATEMENT OF HON. CHESTER W. BOWLES, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CONNECTICUT

Mr. Chairman, I would like to join with many of my distinguished colleagues in supporting H.R. 6904. We hear much these days about the tendency of the Federal Government to preempt functions of the States. Rightly or wrongly, we are told that this is made necessary by the failure of States to act promptly and effectively in areas requiring governmental action.

Although this may be a valid criticism, the bewildering complexity of existing Federal agencies, boards, and commissions and the inadequacy of information available to the States in themselves tend to discourage effective State action.

Another vitally important factor in discouraging action at the local community level is the imbalance in distribution of the total tax income. State and local communities, in their continuing struggle to finance needed programs, have often strained the traditional avenues of taxation so near to the breaking point that they have been forced to resort to regressive systems of taxation to bolster their lagging revenues. This is particularly true of real estate taxes in our cities.

The basic problem, as both the Kestnbaum Commission and this subcommittee's report have pointed out, is one of communications. It seems impossible in this day and age that a coordinated, effective means of sharing information and ideas between the Federal, State, and local governments does not exist, but unfortunately this is the case.

As a former Governor of Connecticut, who has faced the confusion and inconsistencies of the present situation from a State Capitol, I feel very strongly that the proposed Advisory Commission on Intergovernmental Relations is a constructive, forward step which is long overdue, and I sincerely hope that favorable action on this proposal can be taken soon.

June 22, 1959.

STATEMENT OF HON. CLAIR ENGLE, A U.S. SENATOR FROM THE STATE OF CALIFORNIA

Mr. Chairman, I appreciate the opportunity to inform you of my strong support of S. 2026. I am very pleased to be a cosponsor of this legislation with Senator Edmund S. Muskie (Democrat, Maine) and a bipartisan group of 24 of my colleagues. The establishment of a permanent Advisory Commission on Intergovernmental Relations is vital to the effective working of our federal form of government.

While several excellent previous studies have been made of the problems involved in keeping all levels of government responsive to the needs of the people, the many challenges to our governmental efficiency require constant scrutiny. I share with many of those supporting this bill the belief that this Commission could perform no more significant function than that of bringing together Federal, State, and local officials on a continuing basis. In this way, solutions to the vexing problems of intergovernmental relations can be found with a minimum of friction and tensions, often caused by lack of effective communication. Discussion of the issues in an atmosphere of cooperative thinking would do much to eliminate misunderstanding and hostility between the public officials involved in making our system function properly.

One major problem that requires the best thinking of Federal, State, and local experts is how to determine the wisest division of responsibilities and revenues. It is obvious that many functions and much of the financial resources of government have come under the control of the Federal level of government. That does not mean, however, that this has always been a wise development. It might be argued that Federal authorities could perform their normal duties more efficiently if freed of certain responsibilities that they have assumed under

the pressures of public wants and needs. In any event, I believe that constant review of this assignment of functions is essential to good Federal government.

I developed a deep respect for local government through long association with local problems. After I was elected district attorney of Tehama County, Calif., in 1934, I was legal adviser to the Tehama County Board of Supervisors for 8 years and became intimately acquainted with the valuable services local government performs. This experience also led me to believe that government programs, whether Federal or State, should be administered at the local level, whenever possible, with sufficient flexibility to permit local governments to adjust the administration of these programs to local conditions and requirements.

Because of the limited resources available to local governments, I have proposed over a number of years a system of payments in lieu of taxes that would at least compensate for the lands taken over by the Federal Government and held in a proprietary way. The State of California, with its great concentration of defense industries, has been a real victim in this situation. Because of the presence of tremendous Federal holdings, only half of the State of California is subject to assessments by local governments. At the average State tax rate of $5 per $100 the losses in revenue to the local governments, because of the tax-immune Federal properties, add up to more than $27 million. County and city governments which have been major victims of this enormous loss in revenue have been forced either to lower the quality and quantity of their community services or to penalize their private citizens unreasonably. Trapped between a growing demand for services and a dwindling intake of taxes, towns and cities have become second-class communities—with inferior schools, bad roads, inadequate services generally.

The Advisory Commission would have a significant role to perform in analyzing the consequences of present Government policies. Thus, the review of existing grant programs could be made with an eye toward developing a new pattern of governmental administration of services more in accord with our democratic traditions. How to balance the needs of economy, efficiency, and democracy within our Federal structure requires the careful and continued scrutiny that S. 2026 provides for in the creation of a body of experts representative of all levels of government.

June 22, 1959.

STATEMENT OF HON. WINSTON L. PROUTY, A U.S. SENATOR FROM THE STATE OF VERMONT

Mr. Chairman, members of the House Intergovernmental Relations Subcommittee and the Senate Committee on Governmental Operations, I am happy to take this opportunity to make known why I joined Senator Muskie and a number of other Senators in sponsoring S. 2026. This bill, like its companion bills in the House of Representatives, H.R. 6904 and H.R. 6905, seeks to establish a bipartisan Advisory Commission on Intergovernmental Relations.

The allocation of functions and responsibilities among the several levels of government—including village, town, county, city, State, and the Federal Government—has become more complex as modern life has increased in complexity. This process will doubtless continue.

It would be possible and no doubt enlightening to prepare an extensive paper discussing in highly abstract terms the implications for the future of American life in this social phenomenon. On this occasion, however, I prefer to deal with the subject in concrete terms and to demonstrate the complexity of intergovernmental relationships by relating down-to-earth examples out of my own knowledge.

Throughout my public life—as mayor of my home city of Newport, Vt., as a member of the State legislature, as speaker of the Vermont House of Representatives, as Representative-at-Large in the U.S. Congress for 8 years, and now as a Senator—I have constantly been made aware of these problems in both human and governmental terms. These experiences have convinced me that the problems of interrelationships among our welter of governmental units need to be studied, clarified, simplified, and coordinated. I would like to suggest the following as one example of the kind of situation in which a little coordination and cooperation among governmental units could be most useful.

A few years ago the commissioner of taxes in my State was forced into the position of refusing to turn over to the Federal Government taxes he had withheld from State employees for the U.S. Government. He took this position,

he said, because agents of the Federal Government refused to withhold from its employees within the State taxes due Vermont.

Now, it seems to me that this is just the sort of situation in which a Commission on Intergovernmental Relations could function usefully to both the State and Federal Governments.

There is another situation, still within the field of taxation, which could utilize the attention of such a Commission. I refer to the recent decisions of the U.S. Supreme Court in the cases of *Northwestern States Portland Cement Co.* v. *State of Minnesota*, and *Williams* v. *Stoekham Valves & Fittings, Inc.*

In these cases the Supreme Court upheld the constitutionality of a State income tax law levying taxes on that part of a corporation's net income which is earned from, and fairly apportioned to, business activities within the taxing State when those activities are exclusively in interstate commerce.

Some authorities have interpreted these decisions to mean that a corporation can be taxed in every State in which it does business. Since the States do not apply uniform formulas, the corporation could be taxed more than 100 percent. If this is correct, it could mean that a small corporation doing an interstate business could be taxed out of existence.

Perhaps an Intergovernmental Relations Commission might be instrumental in helping to avoid such undesirable results, by promoting the adoption of uniform allocation statutes by the States, by urging the adoption of regional compacts by groups of States, or by other means.

Another field where clarification is needed in the relations between the States and the Federal Government is in applying the provisions of the Hatch Act.

Several years ago the commissioner of social welfare of my State was charged by Federal prosecutors with violation of the Hatch Act. The position he holds is one analogous to that of a Cabinet officer in the Federal Government. He is appointed by the Governor and is responsible to him. In the performance of his duties he administered some Federal funds in a State-participating program. His crime, in the Federal eyes was political activity. This is a nice question: Should one who fills such a position be subject to the Federal Hatch Act?

Perhaps an Intergovernmental Relations Commission could help clarify such relationships.

Another type of case which comes to my office fairly frequently and which, I am sure, is familiar to Congressmen of almost every State, concerns those individuals who are put out of their homes and driven off their land by flood control projects. The Army Engineers set a price on the property and that is it unless the owner goes to heavy expense of litigation in Federal courts. Many of my constituents who have undergone this plight seem to feel they are receiving harsh treatment because their State officials have nothing to say about their case even though the State must first approve the project.

Of course, these are just a few of the types of problems on which an Intergovernmental Relations Commission could be helpful. Others might concern such matters as grant-in-aid programs, the role of the State in unemployment compensation, highway programs, tax sources, housing and home finance, flood control, water problems, rivers and harbors, airport development and improvement, civil defense, control of radiation, health programs, public education, law enforcement, natural resources, public lands, military installations.

Some of these problems involve not only relationships between the Federal Government and the States but also relationships between the States and cities, towns, and counties.

I cosponsored the Senate bill under consideration only after satisfying myself that such a commission as the bill visualizes offers no threat of interference with State and local units of government. The people of Vermont have always placed a high value on their rights and prerogatives under local units of government. They like to make their own plans and decisions and they have not usually gone out of their way to welcome what they consider outside interference, even though they may know it is intended to be helpful.

I am convinced that the proposed Advisory Commission on Intergovernmental Relations will not constitute interference. On the contrary, it should help protect the legitimate interests and prerogatives of State and local governmental units, should help eliminate overlapping of operations, provide useful information and increase efficiency.

In addition, such a commission should prove most useful to the Federal Government through assisting Congress in assessing local opinion on intergovern-

mental problems, through smoothing out relationships between Federal agencies and departments and local governments, and in keeping open the channels of communication among the various levels of government.

June 23, 1959.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 26, 1959.

Hon. L. H. FOUNTAIN,
Chairman, Intergovernmental Relations Subcommittee,
Committee on Government Operations,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN FOUNTAIN: I am writing to support legislation introduced by yourself and by Congresswoman Dwyer, H.R. 6904 and H.R. 6905, designed to establish a permanent Advisory Commission on Intergovernmental Relations. I am writing not only as a Member of Congress, but also as a former mayor of the city of Schenectady.

My experience, both in local government and in the Federal Government, has convinced me of the necessity of maintaining some kind of close and continuing liaison machinery between our various levels of government, so as to make sure that they are immediately responsible to one another's needs, and also to eliminate unnecessary duplication.

Personally, I do not favor the creation of a special Cabinet branch of government designed to represent the affairs of cities, for example, as has been argued in some quarters, but I do believe that there ought to be some effective although relatively informal machinery for liaison between Federal Government and local governmental agencies of all types.

In my judgment, the proposal contained in your bill and in that offered by Mrs. Dwyer fills this need very satisfactorily, and for that reason I am happy to support it.

I believe that the Commission ought to be made up not only of Representatives in Congress but of others with specific technical training in these various governmental levels, so that the Commission and its staff can maintain a running check on the various matters of mutual concern to us and can explore varying techniques of cooperation and mutual assistance, designed not only to aid the local governments but also to strengthen the effectiveness of our Federal Government as now constituted.

It has long been my feeling that the proper relationship between the Federal Government and local government should be one of limited partnership, with the Federal Government assisting the local governments in those areas where they are not fully able to provide for specific needs themselves, and where these needs do have a direct and specific Federal concern.

I appreciate the opportunity to make these views available to the subcommittee.

Sincerely yours,

SAMUEL S. STRATTON.

STATEMENT OF HON. SILVIO O. CONTE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS

I believe that continuing study of the complex and changing problems that arise in the field of intergovernmental relations is very important and that the Commission proposed by H.R. 6904, H.R. 6905, and S. 2026 would contribute greatly to the solution of these problems. The bills under consideration admirably fill a genuine need for more consultation and exchange of information between the separate levels that make up our Federal form of government.

As a former State legislator, having served for 8 years in the Massachusetts State Senate, I am particularly aware of the desirability of bringing the legislative branch of State government into closer contact with Federal officials in connection with intergovernmental matters. I note with satisfaction that the Advisory Commission would facilitate this objective by including State legislative representation in its membership. Our State legislatures are desperately in need of more information on the many Federal activities that require State and local cooperation. Moreover, I believe their interest in these intergovernmental

activities should be stimulated well in advance of the point at which the Congress takes legislative action which, for all practical purposes, necessitates State and local financial and administrative participation. A permanent Advisory Commission should provide an excellent educational medium for developing greater State legislative interest in this field. Such a development, I believe, would be extremely helpful to the legislative committees of the Congress.

I want to compliment the Intergovernmental Relations Subcommittee for its excellent work in this field. I am very pleased to give my support to this legislation which, I understand, results from the subcommittee's diligent investigations.

July 1, 1959.

STATEMENT OF HON. JOHN BURROUGHS, GOVERNOR OF THE STATE OF NEW MEXICO

Mr. Chairman and members of the committee, I regret deeply my inability to attend this meeting in person, as I consider your work among the most vital in our Nation today. The aim of H.R. 6904, to establish a permanent Advisory Commission on Intergovernmental Relations, is worthy of the support of every thinking citizen as well as the support of his elected representatives. The bill as introduced prescribes an equitable and effective representation of the governmental officials who must ultimately find solutions for the increasing number of problems raised by overlapping and in some cases conflicting interest and authority of the State and National Governments. If I had any criticism of the bill as introduced, it would be that the representation on the commission from State legislatures is too small. As a former legislator I know that State legislators are frequently called upon to make the initial decisions for the States on problems affecting all branches of local, State and Federal Government, and are required to make these decisions with less chance of obtaining a thorough grasp of the situation than perhaps any other group. However, I realize the practical limitation on the effective size of any body.

I feel that the Commission proposed by this bill would provide a valuable and necessary instrument for achieving not only the essential cooperation in our activities, but also the amity and understanding that makes this cooperation a pleasant experience for all concerned.

June 5, 1959.

OFFICE OF THE GOVERNOR,
STATE OF ILLINOIS,
Springfield, June 9, 1959.

Hon. L. H. FOUNTAIN,
Chairman, Intergovernmental Relations Subcommittee of the Committee on Government Operations, House Office Building, Washington, D.C.

DEAR CONGRESSMAN FOUNTAIN: I regret tremendously my inability to accept your invitation to appear before your subcommittee when it considers the permanent Advisory Commisson on Intergovernmental Relations. I would appreciate it if you would relay to the committee these thoughts.

In my opinion, the creation of such a permanent commission is timely and necessary.

The Federal system of government which is so precious to all of us depends in essence on cooperation and correlated activities of the various State governments and the Federal Government. With the explosive growth of population and urbanization we are now experiencing, it becomes imperative that the relationships among our governments must be harmonious.

A permanent commission could serve as a clearinghouse for the various studies and investigations which are being made of the functions and responsibilities of our governments. In my opinion, such a commission would not overlap any of the work now being done including that of the joint Federal-State action committee in which the Governors' conference plays an important role.

We truly in this country have reached a point where we must realine the services and functions of our governmental agencies and seek solution to the continually growing competition for tax revenue sources.

I urge the commission to give favorable consideration to the proposals before them. I thank you and the committee for this opportunity to express my views.

With kind personal regards.

Sincerely,

WILLIAM G. STRATTON, *Governor.*

STATE OF INDIANA, EXECUTIVE DEPARTMENT,
Indianapolis, June 9, 1959.

Senator EDMUND S. MUSKIE,
U.S. Senate, Senate Office Building,
Washington, D.C.

DEAR ED: Thank you so very much for the invitation to present my views—which are also those of most Hoosiers in both political parties—regarding Federal-State-local relations. I wish that I could do so, but my schedule is so heavy—and I must get to Washington again soon for several other previously determined meetings—that I must decline.

However, please put me on record emphatically as being in favor of any sort of effort—volunteer, professional, bipartisan, advisory or official—which will help to put out the fire of overcentralization that is destroying home rule, State responsibilities and capacities, and also is pushing our American economy farther and farther into the deadly whirlpool of fiscal collapse. Unemployment is always tragic and deplorable. But while unemployment does hurt the unemployed, their families, and their communities, inflation damages everybody. Further tampering with the historic and time-tested relationship between the Federal Government and the component States will lead inevitably to destruction of our Republic.

Mr. Fountain was kind enough to permit me to appear before his House committee in Chicago some months ago. The views which I presented then are reemphasized in a recent interview published by Nation's Business, a copy of which I herewith enclose.

We will miss you and your family at the Puerto Rico conference this year. My belated congratulations on your new and important post of public service.

Cordially yours,

HAROLD W. HANDLEY,
Governor.

STATE OF MONTANA,
OFFICE OF THE GOVERNOR,
Helena, June 10, 1959.

Hon. L. H. FOUNTAIN,
Chairman, Intergovernmental Relations Subcommittee,
House Committee on Government Operations,
House Office Building, Washington, D.C.

DEAR CONGRESSMAN FOUNTAIN: Thank you for your very kind invitation to appear before the House Intergovernmental Relations Subcommittee on H.R. 6905.

I must decline this offer, due to my very tight schedule. At that time I will be presiding over the Interstate Oil Compact Commission meeting in New Orleans, as I am chairman of that group.

Nevertheless, I am happy to submit my views on H.R. 6905 and its companion measure, S. 2026, for inclusion in the record of your hearings.

In general I am in agreement with this legislation, in that it points up the need for continuing study of intergovernmental relations. I believe there must be constant watching to insure that the growing Federal Government does not completely absorb the States, their functions, and their tax sources.

However, I would like to submit for your consideration the following points:

1. Like Congressman Hoffman, whose minority views appear on page 94 of your report, I am concerned about loosing another Federal agency on the public. Unlike such groups as the Hoover and Kestnbaum Commissions, this one could easily follow Parkinson's law and grow in size and cost. I would suggest a deadline after which it would expire unless the Congress of the United States continued it, following hearings on the pros and cons. This might help require accomplishment, rather than a make-work status.

In connection with the matter of becoming an entrenched Federal agency, it should be pointed out that the Kestnbaum Commission on Intergovernmental Relations in 1955 recommended only the appointment of a special assistant to the President with a small staff, although six Commission members urged a permanent agency which would be a small board or council to carry on continuing investigations. The President does have such an assistant, who has proven valuable in this field to Governors such as myself, through cooperation with the National Governors' Conference and service on the Joint Federal-State Action Committee. As for a permanent commission, I still prefer one that must prove itself. I happen to be chairman of the Interstate Oil

Compact Commission for 1959. The IOCC must get approval of Congress every 4 years to continue. To give this proposed Commission a superior status would show a prejudice against the States and in favor of big Federal Government.

2. There is no specific authority or direction in this legislation for the proposed Commission to make recommendations for the elimination of grant programs where appropriate. The bills merely refer to recommendations for the most desirable allocation of governmental functions and responsibilities. I believe specific direction should be given any such commission to proceed toward such goals as outlined by President Eisenhower in his address to the 1957 National Governors' Conference at Williamsburg, Va. This would be to return increasing numbers of governmental functions to the State and/or local levels, along with equivalent tax sources. The Commission should be able to recommend this or elimination or continuation at the Federal level or reduced or expanded grants.

3. The broad membership proposed for the Commission includes State and county and local officials who might well be under the greatest pressure to seek and accept expanded Federal grants. This appears to give an added weight to the side of increased Federal spending, whereas the presumed objective of such a commission should be to keep spending from going in the red while helping to see that the job is done at the most appropriate level of government.

4. The proposed commission should be specifically directed to cooperate with the Bureau of the Budget, rather than merely the executive branch of Government. This would be in line with the recommendation of the Hoover Commission which urged a unified system of budgetary and fiscal control over the operation of all grants-in-aid.

While a belief in sound government without red ink is popular with those who talk without thinking, I am one who favors a balanced budget, a return to more State and local responsibility and an end to the delusion that deficit Federal spending will solve all our problems.

If your subcommittee will recommend legislation to establish a Commission dedicated to such sound basic principles as those espoused by the Hoover Commission and the Kestnbaum Commission, then I am heartily in favor.

Very truly yours,

J. Hugo Aronson, *Governor.*

State of Washington,
Executive Department,
Olympia, June 10, 1959.

Hon. L. H. Fountain,
Chairman, Intergovernmental Relations Subcommittee,
House of Representatives, Washington, D.C.

Dear Mr. Fountain: Thank you for your invitation to appear before the Intergovernmental Relations Subcommittee on June 16–19, for the purpose of discussing H.R. 6904. My schedule makes it impossible for me to attend any sessions of the subcommittee.

This appears to be worthwhile legislation. The entire area of Federal-State relationships is very complex, and it may be well to consider the establishment of an Advisory Commission on Intergovernmental Relations on a continuing basis.

Sincerely yours,

Albert D. Rosellini, *Governor.*

Statement of Hon. Luther H. Hodges, Governor of the State of North Carolina

I wish to express my endorsement of the bill introduced by Representative Fountain, H.R. 6904, and an identical measure introduced in the Senate (S. 2026) by Senator Muskie and others.

The fact that in both the House and Senate these bills have strong bipartisan backing is a clear indication of itself that the proposed legislation is designed to meet a widely recognized need.

Furthermore, these bills are the result of a unanimous report by the House Committee on Government Operations, based upon very extensive hearings on intergovernmental relations conducted by the House subcommittee in various parts of the Nation.

From the beginning of my service as Governor of North Carolina, I have had many occasions to deal with vital questions affecting Federal-State relations. It is my present privilege to serve as a member of the Joint Federal-State Action Committee (an unofficial group of State and Federal officials), of which the U.S. Secretary of the Treasury and the Governor of Idaho are currently the cochairmen. In my capacity as Governor and in my capacity as a member of this Joint Federal-State Action Committee, I have become thoroughly convinced that there is a strong need for a continuing and officially recognized advisory agency to give concentrated attention to Federal-State problems.

Special studies in this area such as was done by the Commission on Intergovernmental Relations are helpful and of course the special attention to the overall problem which has been given by the Intergovernmental Relations Subcommittee of the House Committee on Government Operations has made a great contribution to our understanding in this area. But what is needed is a continuing advisory agency which can take up specific selected problems, work out specific solutions and provide adequate followup to see that proposed action on specific problems is given adequate consideration by the Federal Government and by the States.

I will not attempt to state in further detail the argument in support of these bills. Such detailed analysis I am sure has been put before you by others, and the "Declaration of the Purpose" contained in the bill itself furnishes both a good statement of objectives as well as a statement of reasons for the enactment of these bills.

I do not take issue with the proposed organization of the Commission, the membership, or the statement of duties. While I know that such details may well be subject to differences of opinion in minor respects, I am sure that if this committee agrees on the desirability of such legislation and on the basic approach suggested, there will be little difficulty in reaching agreement on the specific details.

I would venture one suggestion which I understand has, as a practical matter, not been worked out as yet. The bills as introduced contemplate that all the expenses of the Advisory Commission on Intergovernmental Relations would be paid by the Federal Government. I personally would prefer some arrangement whereby all the States would join together to meet at least 50 percent of the expenses of this Advisory Commission. If this were done, the contribution from each of the 50 States would certainly be comparatively small. This may be considered a rather minor item and some may say that it makes little difference which of our tax pockets the appropriations for the Commission should come from, that we are all citizens of the Nation as well as citizens of a State. That is certainly true, but I am thinking more in terms of State governments as such stepping forward in a strong and vigorous manner to consider on the merits the problems which continually arise in the area of intergovernmental relations, and to seek to reach sound and constructive solutions to those problems.

To the extent that our States face up to our obligations in this respect, then to that extent will we find solutions to the many questions confronting us in the area of Federal-State relations. And to the extent that we find such solutions, we are achieving a stronger union of strong States, which to my way of thinking all adds up to a strong and united Nation.

The proposed legislation is meritorious and I hope that this committee will act favorably on it, and in turn that the Senate and House of Representatives will give their approval.

June 12, 1959.

COMMONWEALTH OF KENTUCKY,
EXECUTIVE CHAMBER,
Frankfort, June 15, 1959.

Hon. L. H. FOUNTAIN,
Chairman, Intergovernmental Relations Subcommittee,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN: In response to your letter of May 28, 1959, regarding the bill of the Intergovernmental Relations Subcommittee, H.R. 6904, I should like to say that I am very much in favor of the provisions of section 2, paragraph

2, subsections 2 through 5. These provisions dealing with consultation between Federal and local officials concerned with the administration of programs involving Federal grants strike at the heart of the problem in this area. Undoubtedly the work of the Kestnbaum Committee was extremely valuable; however, it is in the technical areas where most of the problems have arisen.

It is my hope that if this bill is passed and the Commission established that it will result in constructive technical cooperation between Federal and State and local agencies instead of the usual round of ineffectual studies and reports.

Sincerely,

ALBERT B. CHANDLER.

THE STATE OF OHIO,
OFFICE OF THE GOVERNOR,
State House, Columbus, June 15, 1959.

Hon. L. H. FOUNTAIN,
Member of Congress,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN: Although it will not be possible for me to appear before your subcommittee on H.R. 6904 and H.R. 6905, I want to express my wholehearted support for the principles of the proposals.

For years we have listened to the charges that one governmental subdivision duplicates in the function of another. We have heard the charges of the usurpation of the authority of one by the other. We have heard about the possible interference and the cost to the taxpayers that would result from the lack of clear delineation of the authority and responsibilities of each. Because of all of this discussion, I have long felt the need of a bipartisan commission to consider change and to give clear and critical attention to the possible conflicts and to encourage discussion and study of the various mutual problems that do exist. The establishment of this Commission can very well result in savings to taxpayers generally and, also, provide a closer working relationship at all levels of government in order that we might best accomplish the mutual objectives of all.

I hope that the resolution is adopted and that work will proceed immediately in the implementation of its objectives.

My best wishes.

Sincerely,

MICHAEL V. DI SALLE, *Governor.*

EXECUTIVE DEPARTMENT,
STATE OF GEORGIA,
Atlanta, June 15, 1959.

Hon. EDMUND S. MUSKIE,
U.S. Senator, Washington, D.C.

DEAR SENATOR MUSKIE: Please add my recommendation to those of other Governors for creation of a bipartisan Advisory Commission on Intergovernmental Relations.

I am confident that properly constituted and staffed such a Commission could be of vast benefit to Federal, State, and local governments.

Thanking you and with warmest regards, I am

Sincerely,

ERNEST VANDIVER.

STATEMENT OF HON. FOSTER FURCOLO, GOVERNOR OF THE STATE OF MASSACHUSETTS

I am sorry that I was unable to appear before your honorable committee in person last Tuesday as I had hoped to, but unfortunately the press of other duties required my canceling my appearance before you. I deeply appreciate, therefore, the opportunity given to me to forward a statement on H.R. 6904 which you will print in the record of the hearing. I feel that the proposed bill to establish a Commission on Intergovernmental Relations is a most necessary measure. It is evident that today and in the future the relations between the Federal Government and the States are and will continue to be of tremendous importance and complexity. The areas of activities which the Federal Government will have to enter—especially in the field of education—are expanding.

The problem of communications between the Federal Government and the State governments and their agencies is a difficult one. The members of the subcommittee will recall that when I appeared before you almost 2 years ago in September of 1957, I stated how much the problem concerned me and that I intended to call on the Massachusetts Legislature to establish the position of Federal-State coordinator to keep track of future legislation affecting Massachusetts and to coordinate the activities of the Federal and State Governments. Since that time, such a position was established by the action of the Massachusetts Legislature in its session last year, but unfortunately no appropriation was made available for the salary of the coordinator and the operation of his office and therefore the means for dealing with the problem of Federal-State relations more effectively are still lacking. It is clearly desirable, therefore, that some such Commission as envisaged by the pending legislation will be most useful. It is important, moreover, that the present Federal grant-in-aid formulas be surveyed to determine whether they are equitable. It is desirable, too, to have some source of clear and accurate information as to the Federal grant program so that State officials of both the executive and legislative branches of government will have a clear understanding of Federal programs. Such an understanding is vital in the formulation of policy and the establishment and administration of programs within the State.

The bringing together of representatives of the Federal and State Governments for periodic discussions of the multitudinous problems of Federal-State relations is desirable. I am happy to voice my strong support for H.R. 6904 and its companion bill in the Senate, S. 2026, and I hope that the Massachusetts congressional delegation will give their support to these proposals.

June 19, 1959.

STATE OF UTAH,
OFFICE OF THE GOVERNOR,
Salt Lake City, June 19, 1959.

Hon. EDMUND S. MUSKIE,
Senator from Maine,
Senate Office Building, Washington, D.C.

DEAR SENATOR MUSKIE: It was nice to hear from you. I have been tied up with a special session, and also preparing to take a trip to Russia with the other Governors in the executive committee, and found it impossible to reply to your letter before now.

I am fully in sympathy with the effort to restore to the State level as many functions as can be handled and at the same time restore to the States sources of revenue to pay for them. You will recall that 2 years ago in Virginia when this matter was first discussed, I pointed out I felt the best approach was to flag or earmark at State level a portion of the Federal taxes which went to Washington, and then returned in the form of Federal grants and aid or, rather, Federal contribution.

I have discussed this matter with our congressional delegation and hope that some means can be worked out other than the restoration of the telephone tax to the States, which will provide money at the State level for carrying out State function. I don't know how the mechanics can be worked out, but if some portion of the taxes paid by the States and sent to Washington for Federal purposes could be kept in the States to cover these other functions, I think it would be the best and most effective way.

I hope that your committee will be able to work something out on this matter, and I am certainly in sympathy with establishment of a permanent bipartisan Advisory Commission on Intergovernmental Relations.

Yours sincerely,

GEORGE D. CLYDE.

STATE OF MINNESOTA,
EXECUTIVE OFFICE,
St. Paul, June 22, 1959.

Hon. L. H. FOUNTAIN,
Chairman, Intergovernmetal Relations Subcommittee,
House Office Building, Washington, D.C.

DEAR CONGRESSMAN FOUNTAIN: I appreciate your invitation to testify in support of the establishment of a permanent Advisory Commission on Intergovernmental Relations. Senator Muskie has also written me to urge that I appear

before your subcommittee during the hearings on H.R. 6904 and H.R. 6905. I regret that it is not possible for me to appear at this time. I do have a very keen interest in the work of your subcommittee and I regard the proposed legislation as a sound forward step in improving Federal-State relations.

While I am favorably disposed toward the proposal, I should like, before submitting a formal statement of support, to have an opportunity to hear the views of the other members of the Federal-State Joint Action Committee. As you know, I have recently become a member of this Committee and I believe out of courtesy to the other members I should at least hear their views. I understand there will be such an opportunity during the forthcoming Governors' conference at Puerto Rico.

However, I can say that I have been continuously impressed with the work of your subcommittee. There is an obvious need for further and even more intensive effort in strengthening Federal-State relations. I am in accord with the objectives set forth in the proposed legislation, as I see the need for a permanent forum in which representatives of all levels of our government can review and evaluate the Federal-State programs.

You may recall that at the last Governors' conference at Miami Beach I set forth my views and general outlook concerning Federal-State relations in a paper entitled "Needed: A New Approach to Federal-State Relations." While this statement makes no reference to a proposed Advisory Commission, its approach is in general accord with the objectives of the proposed legislation and deals with issues of central concern to your subcommittee. I am attaching a copy of this statement for whatever use you may care to make of it.

I might add that I have been encouraged by reports of the recent meetings of the joint action committee. It appears to me that as the committee turns to more specific problems, its effort becomes increasingly more promising.

As I indicated in my Miami statement, I believe, in line with the thinking of your subcommittee, that more progress in improving Federal-State relations can be made by directing our attention to those specific "squeak" points that appear to weaken the Federal-State relationship than can be achieved by an endless debate over the proper roles of particular levels of government. I am confident that continued effort on the part of both your subcommittee and the joint action committee holds the promise of a vastly improved system of intergovernmental relations.

I should like, however, at this time to reserve further comment concerning the proposed Advisory Commission until I have had an opportunity to meet with the other members of the joint action committee. I am sure you can appreciate my position in this regard.

May I thank you again for your courtesy in inviting me to appear before your subcommittee.

Sincerely,

ORVILLE L. FREEMAN, *Governor.*

(The paper referred to follows:)

NEEDED: A NEW APPROACH TO FEDERAL-STATE RELATIONS

(By Gov. Orville L. Freeman)

When chief executives of the 48 States gather in Miami Beach for our annual Governors' conference a main item of business will be consideration of the report of the joint Federal-State action committee.

This committee was established at the 1957 conference in response to President Eisenhower's personally delivered appeal for creation of a joint Federal-State task force whose twofold purpose would be (1) to designate functions that can be shifted from the Federal Government to the States and (2) to recommend revenue adjustments that would make such shifts possible.

The appeal struck a responsive chord among the Governors who perennially have adopted resolutions assailing the growth of Federal activity and demanding a greater recognition of States rights. They promptly accepted the Presidential invitation. The conference chairman named 10 Governors and the President selected 7 top Federal officials, and the committee organized under the cochairmanship of Gov. Lane Dwinnell, of New Hampshire, and Secretary of the Treasury Robert B. Anderson.

The committee met on four occasions for a total of 8 days of discussion, and on December 5, 1957, submitted "Progress Report No. 1." This report recommends (1) that the States assume full responsibility for financing vocational

education, (2) the discontinuance of Federal support for municipal waste-treatment plants, (3) a greatly reduced program of Federal aid for natural disaster relief, (4) expanded activity by the States in promoting peacetime uses of atomic energy, and, on the revenue adjustments side, (5) a gradual transfer to the States of the Federal telephone service tax.

These recommendations have failed to generate any enthusiasm among the Governors or, for that matter, anyone else—the White House, Congress, State legislators, or public groups. In fact, the most notable aspect of the report is the heavy silence that has followed its release. The cool response is due, simply, to the fact that the recommendations are all politically and financially unrealistic. Many Governors shudder at the prospect—remote as it is—that one or more of them might in time be adopted.

The report is notable, too, by reason of the limited scope of its recommendations. They cover less than two-hundredths of 1 percent of the money now being expended by the National Government in support of State and local programs. While some additional items have been marked for further study, it is painfully apparent that, at its present rate of progress, the committee will require several decades, perhaps a century, to make any significant impact, assuming its recommendations were politically realistic and acceptable, which they are not.

The committee, in short, by failing to develop even the beginnings of an acceptable program for shifting functions to the States, has demonstrated the futility of trying to reverse the historic pattern of growth in Federal support programs.

For many years the Governors and countless others, including President Eisenhower, have argued for a reduction in Federal aid programs. Despite all the agitation, however, the scope of Federal activity has continued to expand at a rapid rate; in fact, despite the President's firmly declared and often-repeated position, the amount of Federal aid has doubled under his administration. For the 1952-53 fiscal year the aid programs received $2,721 million compared with $5,860 million for fiscal 1957–58, and even larger appropriations are projected for next year.

The President's appeal at Williamsburg for a task force for action reflected the growing feeling that we have had enough oratory and enough fact gathering concerning intergovernmental relations and that the time had now come for a detailing of the specifics. What programs, what services, what functions should be abandoned by the Federal Government and shifted to the States?

Now we have had a first "hard look" at the specifics, and this experience convinces me that we need still another examination of the problem, but this time from a basically different approach.

It is not unlikely that the Governors' conference will, by withholding any approving word, insure the early expiration of the joint inquiry, or, conceivably, by direct action, kill it outright. Either action would be most unfortunate. I am critical of the committee's recommendations but the weakness of its first report does not justify discouraging further attempts at joint effort. The committee has important work to do, and, with a proper approach, can still make an extremely significant contribution.

What should be done is to redirect the committee's activity into more promising and more realistic channels of inquiry. The committee's first report has run aground because the premises upon which it was established and the assumptions with which it has been forced to operate are fundamentally fallacious.

We have gone astray because our premises and assumptions are based on an erroneous conception of the nature of our Federal-State system of government. It is a conception of a mechanism that is composed of three related but separable parts, each of which can and should function independently of each other. In the imagery of many people our American Government appears like a cake with three distinct layers—the top labled "Federal"; the middle, "State"; the bottom, "local."

The truth is that our Government is not like that at all. In reality it is—in the apt metaphor first used, to my knowledge, by Prof. Morton Grodzins, of the University of Chicago—like a marble cake, in which the several levels of government are intertwined and interlocked. We can no more separate functions and label some Federal and others State and regard such division as forever immutable than we can separate the States themselves from the Union. To attempt to isolate functions and assign them to one or another level of government is to attempt the impossible. And yet this has been the unchallenged

objective of all of the many study commissions that have entered this field of inquiry.

These commissions have failed to complete their missions for the basic reason that their underlying assumptions have been fallacious. It is simply not realistic to assume that highways, public health, aviation, welfare, education, conservation, law enforcement, agriculture, utility regulation, to mention only a few functions, can be separately dealt with by only one level of government, or that we can untangle the intertwined relationships and interdependencies between Nation and States to reconstitute the marble cake into a three-layer cake.

The question to which we should address ourselves is not, "How can we separate the functions and assign them to one or the other level of government?" Rather we should address ourselves to the question, "How can we make the mechanism of intergovernmental relations work better?" With this as the guiding question and with the assumption that the interlaced relationships between Federal and State Governments are here to stay, the joint action committee could perform an invaluable service, because, unlike many of its predecessors, it brings together officials at the top levels of both the National and State Governments who must deal with political realities and who know from experience the nature of the mechanism we are seeking to improve. The prospects for a successful inquiry would be further increased by adding Members of Congress and some State legislators.

The approach used by the joint action committee had the same spirit and the same objectives as those of the long line of its predecessors. In the last 15 years a shelfload of reports have been prepared on the subject by an impressive series of investigating bodies. In 1943 the Department of the Treasury conducted a special study that resulted in a 600-page report on "Federal, State, and Local Government Fiscal Relations." In 1959 the first Hoover Commission issued a four-volume study, and, in the same year, the Council of State Governments published a 32-page report on "Federal grants-in-aid." The Commission on Intergovernmental Relations (the Kestnbaum Committee), established in 1953, has produced its summary report and a large number of staff publications; and currently the subcommittee of the Committee on Government Operations of the House of Representatives, headed by Congressman L. H. Fountain, has been making an intensive study from which have come a large number of published hearings.

To this array of materials must be added the equally impressive studies of such State inquiries as the New York Temporary Commission on Fiscal Affairs of State Government (Bird Committee) and the Minnesota studies in intergovernmental relations conducted by Prof. William Anderson, one of the leading authorities in this field.

These many studies have produced a flood of materials that throw much light on the complexities in Federal-State relations, but throughout all of them one central question is posed but never answered: What activities and what functions are most appropriately performed by which level of government?

In this continuous debate, one group insists that Federal activity has gone beyond its appropriate boundary, that this historic trend must be reversed, and that more functions should be assumed directly by the States with a corresponding decrease in Federal activity. The other group argues that the necessities of our time, given the relations among our States and such factors as our exploding population, require the maintenance, if not the expansion, of Federal support programs and that a basic change in the present pattern will create more problems than it will solve.

For the most part the studies set forth general principles and general objectives, often stated in vague and ambiguous terms. But throughout there is the unchallenged assumption that there is and can be a division of functions, not only between the Federal and State Governments but also between the States and their subdivisions. Reenforcement for this notion is sought in a correlative assumption that this division of functions was intended by the National Constitution. And always, either implicitly or explicitly, is the assumption that the scope of Federal activity has overreached itself and that local and State governments have abdicated their proper responsibility.

Because of the unquestioning acceptance of these assumptions, much of the investigation of the problem of intergovernmental relations proceeds in a thick fog of confusion through which vaguely and sometimes loudly emit battlecries of "States rights" and "down with centralization." We are given to believe that a national colossus stalks the land, about to swallow up the separate States

and their subdivisions, that our precious rights and liberties are about to be destroyed, and that our national wealth and resources are being frittered and despoiled by Federal support programs.

The barrage of propaganda against increased Federal support for needed governmental activities has obscured the fundamental fact that, in terms of nondefense services, State and local governments have been paying an increasing proportion of governmental costs while the Federal Government has been paying a decreasing share. In 1940 State and local governments paid 58 percent of the cost of nondefense services; in 1956 they paid 73 percent. Measured in terms of 1956 dollar values, the per capita support for nondefense services at the Federal level dropped from $86.47 in 1940 to $74.65 in 1956, and, at the same time, State and local per capita support for these services increased from $120.80 to $198.45. Clearly the often-repeated charge that the cost of government is being shifted from the States to the Federal Government should be thoroughly reexamined.

The impression that the States are not exerting themselves fully enough and that they are relying in greater and greater proportionate measure upon the Federal Government is an erroneous one. The truth is that the States and municipalities have made an enormous exertion to meet their growing problems. In the decade from 1946 to 1956 State and local expenditures increased from $12.4 billion to $40.2 billion. Debt increased from $16 billion to $49 billion. Clearly the States have been making a tax effort and the problems will require an even greater tax exertion in the future. To meet them some reasonable balance between State and Federal sharing must be achieved and to talk in terms of a further shift to the States of the proportionate tax load will intensify their already overwhelming plight.

Given the assumptions with which it was compelled to work, it was inevitable that the Joint Action Committee would produce the kind of report that it did. It set out to designate functions that can be assumed by the States, and the fact that it, in effect, couldn't find any is no reflection on the intelligence or integrity of its members. It reflects rather the weakness in the assumptions and the premises that underlie the efforts to deal with Federal-State relations. Instead of seeking improvement in the mechanism, the investigators have sought an answer to a question to which there is no answer.

What is needed is the redirection of our energies away from the theoretical argument over a separation of State and Federal activity to a consideration of the deficiencies in the mechanism as it now operates. There are many deficiencies in Federal-State relations. We should seek to identify them and to develop sensible recommendations for their correction.

We should, in other words, analyze what Professor Grodzins has called the "squeak" points in intergovernmental relations and how they impair the operation of the Federal-State mechanism. We should examine such conditions and problems as the following:

(1) Because Federal appropriations are voted on an annual basis and many States operate on biennial budgets, the States experience great difficulty in planning their programs involving Federal aid. They do not know how much will be available until Congress has acted.

(2) The large number of separate Federal aid programs introduces a chaotic note in State budgeting, tending to impair the maintenance of the executive budget. Some kind of coordinated activity at the Federal level would enable the States to participate in Federal-aid programs on a more planned and more integrated basis.

(3) Federal aid programs tend to skew State financial programs in favor of those activities that have Federal support. When a State can, in effect, obtain $2 by the expenditure of $1, such programs obviously will be given preferential treatment. This makes it important to assess at some point the total impact of all Federal aids upon the State's overall financial program.

(4) Another skewing effect results from the tendency of some Federal aids to favor certain groups of citizens. For example, in the welfare field persons who qualify for Federal aid categories, such as aid to the blind or aid to dependent children, almost everywhere have a favored position over those who qualify for only general relief.

(5) Some of the worst features of bureaucratic control are manifest in the Federal-aid programs. Some administrative forms are so complex that they make administration unnecessarily unwieldy. Often great amounts of irrelevant information are required. States frequently experience troublesome delays in obtaining needed decisions from regional and national offices. Sometimes

authority to act in behalf of Federal agencies is not clearly spelled out; at times Federal agents will be too indecisive, at other times too arbitrary.

(6) The many Federal-aid programs are conceived, established, and managed independently of each other. No central or single mechanism coordinates programs which often affect each other. The Joint Action Committee might very well consider establishment of an administrative mechanism at the national level that would be responsible for bringing the numerous aid programs into balance with each other and for helping States maximize their participation in the aid programs.

(7) A top-level reviewing mechanism would prevent the sudden springing of a new Federal-aid program without full preparation on the part of both the States and the Federal administering agencies. In 1956 when Congress approved $5 million for aid to rural libraries the Department of Health, Education, and Welfare was taken by surprise and was completely unprepared for its administration. Aid programs often result from pressures applied on Congress by particular interest groups. States will suddenly discover that still another aid program has been created without their consultation. The legislature must either vote a matching appropriation or face criticism for failing to take advantage of Federal aid.

(8) The scope and complexity of Federal-aid programs, proceeding as they do through the labyrinthian bureaucracy, is making it increasingly difficult for States and their subdivisions to maintain sensible communication and to obtain essential information concerning available aids. Many jurisdictions fail to participate in Federal programs because they do not have personnel who are familiar with the programs or who can master the bureaucratic intricacies.

(9) Federal programs that deal directly with municipalities sometimes unsettle the State's relationship with their subdivisions. Direct Federal-local arrangements should exist only when the State provides no suitable mechanism for the Federal-aid program.

In an even broader category than "squeak" points is the opportunity that improved Federal-State relations opens for more effective use of national fiscal and monetary controls. The current recession demonstrates clearly many of the strengths and weaknesses in the use of these devices for countercyclical purposes. There are obvious advantages in considering grants-in-aid in terms not only of per capita distribution but also in terms of genuine equalization. We need deep exploration of the extent of "tax effort" on the part of individual States as one basic criterion in determining amount of Federal support. By recognizing the fiscal congruence of Federal and State Governments much progress could be made on this important level.

By describing the "squeak" points in intergovernmental relations I do not mean to suggest that there is much evidence on the part of the States of basic dissatisfaction with Federal programs. One of the revealing aspects of the many intergovernmental studies is the lack of criticism on the part of States concerning ongoing Federal programs. We recently conducted a survey in Minnesota to evaluate the effectiveness of Federal programs. Our administrators uniformly approved the programs and voiced apprehension over any prospective diminution in them.

The need for a new approach to Federal-State relations is heightened by the current recession. Through the years, as the debate over shifting functions away from the Federal Government has gone on, the financial plight of the States has deepened. It has reached the point that threatens the survival of many vital programs. If relief is not obtained, the States will be in jeopardy many times more serious than any threat posed by the system of Federal aids.

I believe the plight of our States demands an expansion and extension of Federal support, not curtailment or abandonment of programs of assistance. Historically, Federal grants-in-aid have certainly increased, not decreased, the scope of State activities. The best way to insure strengthened vitality at both National and State levels of the Federal system is to continue and to enlarge the cooperation and collaboration between them. Instead of agitating for the discontinuance of certain Federal-State programs, we should examine prospects for more of them.

I appeal, therefore, for a redirection of the committee's efforts into what I believe will be more promising channels for constructive action. The time has come for courageously asking whether the Federal Government should not share with the States a portion of its plentiful tax sources. It may be wiser in the long run, instead of cutting the Federal income tax by several billions

as is currently proposed, to retain the present rates and bring much-needed Federal relief to the States, thereby making unnecessary tax increases at the State level.

The States face many handicaps in coping with their financial problems. Many labor under hobbling constitutional limitations, such as debt restrictions and dedicated revenues. The competitive relationship among the States immobilizes them from taking many essential actions. Many of them have insufficient basic wealth and resources with which to maintain vital services without increased Federal support. And all of them have enormous problems that result from the present disproportion of old people and of school-age children.

We must face our plight realistically. We must ask: How can we make the Federal-State mechanism work better? How can we get the "squeaks" out of the system? How can we find the needed revenue?

In my view, if our States are to receive the assistance they so badly need, the Federal Government must either expand its present programs and embark upon new ones or it must agree to revenue-sharing with the States. One measure might be that the Congress return to the States a portion—perhaps 5 percent—of the Federal corporate and individual income tax. Proposals of this type should be studied by the Joint Action Committee.

On balance, the many investigations of Federal-State relations have had a salutary effect. They have alerted the Nation to the growing concerns in this broad area. But we need now to reexamine the assumptions that have historically guided these studies and to redirect our efforts into more promising channels.

[Telegram]

JUNE 23, 1959.

Hon. EDMUND S. MUSKIE,
Senate Office Building, Washington, D.C.:

I would be most appreciative if you would advise the joint committee in its hearings on the creation of a permanent bipartisan Advisory Commission on Intergovernmental Relations that I am most hopeful that the committee will act favorably with respect to it. I can see much value to all of us on a Federal-State-local level and regret my inability to attend the hearings in person.

GRANT SAWYER,
Governor of Nevada.

THE TERRITORY OF HAWAII,
EXECUTIVE CHAMBERS,
IOLANI PALACE,
Honolulu, June 23, 1959.

Hon. EDMUND S. MUSKIE,
Committee on Government Operations,
U.S. Senate, Washington, D.C.

DEAR SENATOR MUSKIE: I want to thank you for your letter of June 6, 1959, extending me your personal invitation to present my views on the advisability of creating a permanent bipartisan Advisory Commission on Intergovernmental Relations. I greatly appreciate the opportunity to express my opinion on a matter of such vital concern to our system of government today.

I have not had an opportunity to study the proposal you and Representative L. H. Fountain have introduced into the present session of Congress to create such an Advisory Commission on Intergovernmental Relations. Hence, I am not in a position to offer any detailed comments on this particular proposal.

Nevertheless, I am familiar with the reports of the Commission on Intergovernmental Relations issued in 1955 and with the work of the Joint Federal-State Action Committee established in 1957. The experience of these two groups and my own experience as Governor of Hawaii have convinced me that there is a need to focus attention on the problems of intergovernmental relations on a full-time and continuing basis. Therefore, I am in full accord with the idea of creating a permanent bipartisan Advisory Commission on Intergovernmental Relations or similar agency to accomplish this purpose.

I have no specific recommendations regarding the form and composition of such an agency except to say that I feel it is important to take care that the views of both State and local governments are adequately represented as well

as those of the Federal Government. Perhaps this can be achieved best by working through existing organizations representing these views, such as the Council of State Governments, the National Municipal League, and the U.S. Conference of Mayors.

In conclusion, may I thank you again for this opportunity to contribute my thoughts on this important subject. I sincerely hope that the present deliberations of Congress will result in the approval of this constructive approach to the solution of many of the complex problems of intergovernmental relationships in our Federal system of government. If there is anything else I can do to assist in these deliberations, please let me know.

Sincerely,

WILLIAM F. QUINN,
Governor of Hawaii.

THE STATE OF TEXAS,
EXECUTIVE DEPARTMENT,
Austin, Tex., June 24, 1959.

Hon. L. H. FOUNTAIN,
U.S. Representative,
House Office Building, Washington, D.C.

DEAR MR. FOUNTAIN: In going through some unanswered mail, I was embarrassed to find your letter concerning the Advisory Commission on Intergovernmental Relations. As you may know, all my time has been devoted recently to the important matters before our legislature, and my correspondence suffered accordingly. Please forgive this delay in my reply.

Senator Muskie had added his personal invitation to yours for the hearings last week, and he probably reported that I sent him a telegram last Friday, June 19, reading as follows:

"Sincerely regret impossible to attend committee hearing on creation of a permanent bipartisan Advisory Commission on Intergovernmental Relations. However, as Governor of Texas and a member of the joint State-Federal Relations Commission, I strongly endorse such action. There is a great need for better cooperation between all levels of government to the end that waste and duplication can be prevented and in order that State and local responsibilities will be better respected and exercised. The Federal Government has its hands full and should not be called upon to further enter and finance matters which are the primary responsibility of State and local governments. I will appreciate your placing this telegram in the record.

"Sincerely,

"PRICE DANIEL,
"*Governor of Texas.*"

I appreciated your invitation as I am very much concerned with Federal-State relations and only regret I could not attend the hearings last week.

Kindest personal regards.

Sincerely yours,

PRICE DANIEL.

STATEMENT OF HON. J. MILLARD TAWES, GOVERNOR OF THE STATE OF MARYLAND

The trend toward a centralization of government is a clearly recognizable incident of the age in which we live, and, whether we applaud it or deplore it, we must accommodate ourselves to its existence.

It is just as evident on the State level as it is on the Federal level. We who are involved in State government labor continuously with the problem, particularly in the area of taxation and fiscal affairs.

As a principle, most of us subscribe to the doctrine that democratic government functions best on the local plane where it is most sensitive to the wishes and the feelings of the people.

A special merit of our Federal system is that under it we have been able to preserve a large measure of local government while at the same time we have centralized power where it was required to meet the needs of the time. The tremendous growth in population, the rapid urbanization of our country, and the great technological changes which have taken place would have forced us to abandon our basic belief in local self-government had we not inherited this unique Federal system.

The need to retain a proper balance between Federal, State, and local governments is apparent to all of us.

The proposed permanent Advisory Commission on Intergovernmental Relations would, in my opinion, be an effective instrument for maintaining this proper balance.

Therefore, I heartily endorse Senate bill 2026 and House bills 6904 and 6905, which would establish and set in operation that Commission.

June 25, 1959.

STATE OF ALASKA,
Juneau, June 26, 1959.

Hon. L. H. FOUNTAIN,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN FOUNTAIN: Some days ago, I sent a message supporting H.R. 6904 and Senator Muskie's companion bill which seek to create an Advisory Commission on Intergovernmental Relations. This letter reiterates my position in support of the legislation. There are many aspects of the proposed enactment that will prove to be very desirable and beneficial to the American people as a whole. Coordination of efforts in certain fields of government will do much to alleviate waste. Greater efficiency will result, together with a far greater understanding of many correlated problems.

We fully support the objectives sought in legislation introduced by you and others.

Sincerely yours,

WILLIAM A. EGAN, *Governor.*

STATE OF ALASKA,
OFFICE OF THE GOVERNOR,
Juneau, July 7, 1959.

Hon. L. H. FOUNTAIN,
Chairman, Intergovernmental Relations Subcommittee,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN FOUNTAIN: In response to your letter of June 25, which arrived today, and your second letter of July 1, which reached my desk on July 6, I wish to reiterate my statement relative to intergovernmental relations, telegraphed to Senator Muskie on June 15:

"As a new State, Alaska and its people are acutely aware of the many problems arising from participation in Federal grant-in-aid programs. Particularly are we conscious of the difficulties arising from those programs in which the State per capita personal income element is used as one of the determining factors in participation formulas. I realize that this is but one of the many items calling for a review of the entire structure of intergovernmental relations and a charting of the course to be followed in future programs, with possible revision of existing legislation. I would, therefore, tend to favor the legislation sought in H.R. 6904, H.R. 6905, and S. 2026."

Sincerely yours,

WILLIAM A. EGAN, *Governor.*

STATE OF MAINE,
Augusta, July 2, 1959.

L. H. FOUNTAIN,
Chairman, Intergovernmental Relations Subcommittee,
House Office Building, Washington, D.C.

DEAR Mr. FOUNTAIN: I am sorry to be so late in expressing my observations of H.R. 6904. The demands of our recently adjourned legislature was such that it was impossible for me to find the time to digest this bill.

Now that I have had the opportunity to study it I wish to indicate my approval of the purposes outlined. I believe that we have a need for an Advisory Commission on Intergovernmental Relations and do, therefore, give it my wholehearted approval.

With best wishes, I am,

Sincerely,

CLINTON A. CLAUSON, *Governor.*

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STATE OF NEBRASKA,
Lincoln, Nebr., July 7, 1959.

Hon. L. H. FOUNTAIN,
Chairman, Intergovernmental Relations Subcommittee,
House Office Building, Washington, D. C.

DEAR CONGRESSMAN FOUNTAIN: Please be assured of my complete support of the excellent legislation pertaining to the eventual establishment of a permanent Advisory Commission on Intergovernmental Relations.

The proposal for an informational clearinghouse on all aspects of intergovernmental relations, with specialized attention to particular problems, supplemented by technical assistance, is one which can constitute a distinct contribution in this important area of governmental activity.

Its potential as an evaluating and reviewing agency is unlimited.

Thank you for the opportunity of furnishing a statement in this connection.

Sincerely,

RALPH G. BROOKS, *Governor.*

COMMONWEALTH OF PENNSYLVANIA,
GOVERNOR'S OFFICE,
Harrisburg, July 9, 1959.

Hon. L. H. FOUNTAIN,
House of Representatives, Washington, D.C.

DEAR CONGRESSMAN FOUNTAIN: Since I was unable to make an appearance before your committee when they had public hearings on H.R. 6904 and H.R. 6905, as you requested in your letter of May 27, I would like to file the following statement as an expression of my views on this legislation.

The establishment of an Advisory Commission on Intergovernmental Relations, as proposed in H.R. 6904 and H.R. 6905 and the companion bill in the Senate, S. 2026, appears to be an excellent medium for continuing study and review of both the existing grant-in-aid programs and new programs which may need to be devised to meet emerging unsolved problems in our society. The complexity of the programs themselves and the problems that they are designed to solve is constantly growing. It seems good sense that they be under constant review by the best brains in the country from all levels of Federal, State and local government, and perhaps other agencies as well.

The makeup of the proposed Advisory Commission is well designed to draw its membership from all levels of government. I note, however, that there is no representation from other than governmental bodies. The grant-in-aid programs are concentrated in fields of welfare, health, and labor and are of enormous interest to vast segments of our society most of which are represented by private organizations. I wonder if some provision could not be made for their representation on the Commission itself. If that is not feasible, task forces of the Commission such as were used by the Hoover Commission, might bring in representation from labor, management, agriculture, welfare, and health agencies, church groups, and others who have an enormous interest in the effectiveness of the programs with which this Commission would deal.

I like the positive philosophy of the bill, the committee report, and the statements of the sponsors. They all recognize that these grant-in-aid programs have been devised by the Congress to meet very real social and economic needs of our people. We should not approach this problem, as other groups have done, with a preconceived negative conviction that grant-in-aid programs are devious devices by which the Federal Government encroaches on State prerogatives, and should be reduced or repealed at the earliest possible opportunity in order to return these functions to the States. Such an approach is a misreading of history. In every case, the programs grew out of very real needs that were not being met by the States. If these needs were not real, the several State legislatures would not have provided matching grants and the programs would have died from attrition.

While some existing programs are seriously out of kilter and can be substantially improved by a Commission of this character, I would hope that too much of the Commission's time would not be taken up with trying to overhaul existing programs. Surely, primary emphasis should be given to studying the emerging problems in our society (sec. 2(5)) more intensively than the Joint Federal-State Action Committee has had the time to do, and recommending to Congress, the States and the cities, the most efficient sharing and distribution of

responsibility between local, State, and Federal governments for the solution of these problems.

While local and State governments should, of course, be used as much as possible, the understandable desires for decentralization should not preclude the Federal Government's taking on that part of the job which can most effiectively be carried out by the Federal Government. The nature of the problems themselves should be the guiding consideration as to the distribution of functions between levels of government. What combination of local, State, and Federal effort can best do the job at hand? This should be the Commission's guide line. No arbitrary rule of thumb can be used to solve problems far different in character. It is impossible to handle the problem of juvenile delinquency, for example, with the same pattern of shared responsibility that we handle the problem of social security, public assistance, or vocational rehabilitation.

I would hope also that a good deal of thought be given by the Commission to the establishment of Federal standards in those areas where the Federal Government itself stays out of direct participation in a program, whether it be an existing program or a new one. While we are interested in the widest possible participation by government at the local and State levels, where the Nation's economy is concerned and all States are competing for new industry this competition should not be at the expense of acceptable labor standards and living standards for the American people.

I would like to endorse the idea of an Adivsory Commission on Intergovernmental Relations such as outlined in H.R. 6904, H.R. 6905, and S. 2026, as a very substantial step forward in making our Government at all levels more responsible to the needs of the American people in the last half of the 20th century.

With kindest regards, I am,

Very truly yours,

DAVID L. LAWRENCE.

STATEMENT OF HON. SAM H. JONES, FORMER GOVERNOR OF THE STATE OF LOUISIANA

My name is Sam H. Jones. I am a practicing attorney of Lake Charles, La., and, by way of identification and qualification, I submit the following: I served as Governor of Louisiana from 1940 to 1944. Prior to my tenure as Governor I served 14 years in various capacities in municipal, parish (county), and district governments. I was a member of the Federal Commission on Intergovernmental Relations from 1953 to 1955 and served as Chairman of the Local Governments Committee.

I favor the legislation embraced in H.R. 6904 by Mr. Fountain, H.R. 6905 by Mrs. Dwyer, and S. 2026 by Mr. Muskie, et al., with one modification.

The basic and fundamental reason why I favor this legislation is the language of the last sentence in the letter of transmittal by Chairman Meyer Kestnbaum of the Commission on Intergovernmental Relations to the President on June 20, 1955, wherein he said:

"We are hopeful that this report will be regarded as the beginning rather than the end of a contemporary study of the subject of intergovernmental relations, and that it will stimulate all the levels of government to examine their respective responsibilities in a properly balanced Federal system."

Then, too, I agree with Chairman Fountain when, speaking before the House of Representatives on May 6 on the subject of the "Proposed Advisory Commission on Intergovernmental Relations" he said:

"Building on the foundation laid by the Kestnbaum Commission studies and the work of our subcommittee, I believe it is desirable that we now concentrate on the practical and continuing problem of seeking to improve the operation of our Federal system, * * *."

and with his observation that:

"The most important function of the Commission * * * would be that of bringing together Federal, State, and local officials on a continuing basis for discussion of the problems which concern and affect all levels of government," and that "the Commission would provide a favorable atmosphere for promoting mutual understanding and would help to produce a smoother functioning of our Federal system."

These statements are in agreement with the recommendation of the Kestnbaum Commission that "an Advisory Board on Intergovernmental Relations" should

be appointed by the President, and that "provision should be made for a permanent center for overall attention to the problem of interlevel relationships."

Very few people, outside the small circle of professional political scientists, realize how grossly Americans have neglected the study of the functioning of their Federal governmental system. It is well to remember that the 1953–55 study by the Kestnbaum Commission constituted the first official study in 164 years—or from 1789 to 1953. In the light of this fact it is no wonder that we have accumulated a complicated labyrinth of tangled problems that will take years for the best brains of America to set right and place in order.

The strength of the proposed Commission, it seems to me, is that it will result in bringing together representatives of the three levels of government for voluntary discussion of common problems. As Senator Muskie so well observed, in his remarks to the Senate on May 21:

"It would serve as a central clearinghouse for information on all aspects of intergovernmental relations; it would serve as a forum for discussion of specific problems and particular programs; it would give specialized attention, on a continuing basis, to particular intergovernmental problems with a view to promoting greater cooperation among the various levels of government and providing a systematic means of encouraging better relations among them."

And, I think, as Mrs. Dwyer said in her remarks to the House on May 6, that—

"The creation of a permanent Advisory Commission on Intergovernmental Relations would help bring order, understanding, careful planning, and more effective control into the complex world of Federal-State-local relations," observing quite correctly that, at the present time, "there is no existing machinery whereby improved relations between the several levels of government can be fostered and encouraged."

To these observations permit me to add, with justifiable pride, that on September 25, 1954, the Committee on Local Governments, of which I had the honor to be chairman, became the first to advocate a permanent, or continuing, Commission such as is now sought to be established by the pending legislation. In our report to the Commission on Intergovernmental Relations, we said:

"Since no final solution, good for all times, can be found to all the issues involved in the relations between governments, this committee favors the establishment of a continuing Commission on Intergovernmental Relations with duties generally comparable to those set forth in Public Law 109. Periodic or continuous studies are needed to search out and compromise the points of conflict between the National Government on the one hand, the State and their local governments on the other."

Thus we find that, after exhaustive study and mature deliberation, the following official groups have come to the same conclusion in favor of a continuing Commission on Intergovernmental Relations: First, the Advisory Committee on Local Governments in 1954; second, the Commission on Intergovernmental Relations in 1955; and, third, your Intergovernmental Relations Subcommittee in 1958.

Then it is proper to observe that there has been wide public acceptance of these views. Chairman Fountain has observed that:

"The philosophy and principles of federalism reported by the Kestnbaum Commission were found by our subcommittee to be generally valid and widely accepted."

And Mrs. Dwyer went further to say that: "I should add that the subcommittee found wide support for some such form of continuing examination of the Federal system."

In my opinion there is no validity to the arguments that "this is just another commission" and "it has no power and can do nothing." The wisest thing about our Federal system is that each level of government, is within limitations, autonomous within its own sphere. It is, therefore, within the nature of our system that no one level can completely dominate the other two levels. This legal situation makes an Advisory Commission the only method by which we can tackle and ultimately solve the accumulated and constantly increasing problems of our three-level system.

And I might add here that, whilst the controversy between the advocates of States rights and those who lean toward national control is very real and highly publicized, there is another controversy that is just as determined. I refer to the battle that is now raging between the advocates of State control and those who sponsor wider lattitude for municipal and county governments. This latter controversy is, in many respects, more difficult than the former because local

governments are creatures of the State; while the States are not the creatures of the National Government. It is much more important, therefore, that there should be brought about some forum for the discussion of State-local problems than for the discussion of National-State problems.

The proposed Advisory Commission on Intergovernmental Relations would do both.

That there is a trend toward big government and away from the independence and autonomy of State and local governments is illustrated by the growth of Federal grants-in-aid. From 1900 to 1950 the increase was from $3 million to $3 billion. Even more significant is the fact that Federal grants have increased, since the report of the Kestnbaum Commission, to a total of approximately $7 billion annually.

Then when we realize, while local taxes amounted to 53 percent of the total of all taxes in 1932, and that local taxes at the present time amount to somewhere between 10 and 12 percent of the total of all taxes, it is not difficult to see the trend away from the grass roots and toward the State and National capitals.

It is probably true that there is some justification for increased reliance upon the superior tax abilities of the State and National Governments, and the subsequent distribution to the lower units in the form of grants. But the movement is proceeding at such a rapid and precipitate speed as to be alarming. The United Kingdom has recently recognized that this probably means the destruction of the strength and influence of the local level of government, if continued. As a consequence the present British Government has gone far, in recent legislation, toward combining all assistance to local governments in one grant.

The least we here in this country can do, in my humble opinion, is to stop and take stock. And that, precisely, is what the proposed legislation would do. As Chairman Fountain so aptly puts it, the Advisory Commission provided by the proposed legislation "would not * * * be a panacea for eliminating all of the sore spots that arise out of the division of powers in our Federal system. It would, however, be a modest but constructive step in the right direction."

For these reasons and many others which a statement of this kind could not possibly embrace, I wholeheartedly endorse the legislation now pending before the Congress.

I do this with one reservation. I hope that greater weight can be given the county governments on the proposed Commission. County governments in America are, in the main, archaic. They still operate with a system that was born of the "horse and buggy days." Only a very small percentage of our counties have an executive officer. Government, on all levels, needs overhauling in this country, but the crying need is on the county level.

Yet the proposals give the counties only 1 representative out of 24 on the Advisory Commission. Four are given to the municipalities. Four are given to the States. On this basis I would say that four should be allotted to the counties, and that, under no theory should less than two members be allotted to county governments. I hope this change will be made.

I thank the committee for this opportunity to make known my view of this important subject.

July 6, 1959.

CITY OF ALAMEDA, CALIF.,
OFFICE OF THE MAYOR,
May 13, 1959.

Hon. L. H. FOUNTAIN,
Chairman, Intergovernmental Relations Subcommittee,
House Committee on Government Operations,
House Office Building, Washington, D.C.

DEAR CONGRESSMAN FOUNTAIN: May I extend my commendation on your introduction of H.R. 6904, in which I heartily concur. A permanent Advisory Commission on Intergovernmental Relations is essential for solving mutual problems in all levels of government and I sincerely hope your proposal is enacted into law.

I am taking the liberty of forwarding copies of this letter to Congressman George P. Miller and Senators Thomas H. Kuchel and Clair Engle with the request that they give favorable consideration to your legislation.

Sincerely yours,

WILLIAM M. MCCALL,
Mayor of the City of Alameda.

STATEMENT OF J. C. EAGLES, JR., LEGISLATIVE COUNSEL TO THE GOVERNOR OF NORTH CAROLINA

I am familiar with the reasons for which H.R. 6904 was introduced. From my experience as a legislator, it is clear to me that there exists a great need for an advisory group on intergovernmental relations. With increasing frequency, programs affecting State governmental agencies are being activated and expanded. From a budgetary standpoint and from a policy standpoint and from the standpoint of the practical good these programs can do, it is most important that they be evaluated and reevaluated from time to time. A commission such as the one proposed in H.R. 6904 can be most effective in this respect. I endorse the resolution wholeheartedly.

June 9, 1959.

STATE OF NEW YORK,
JOINT LEGISLATIVE COMMITTEE ON INTERSTATE COOPERATION,
New York, N.Y., June 12, 1959.

Hon. L. H. FOUNTAIN,
Chairman, Intergovernmental Relations Subcommittee of the Committee on Government Operations, House Office Building, Washington, D.C.

DEAR CONGRESSMAN FOUNTAIN: Thank you very much for your letter of June 4 in which you invite testimony at the hearings June 16–19 on the bills to establish an advisory commission on intergovernmental relations.

Unfortunately I will be unable to testify on those dates and in accordance with your request I am enclosing a written statement with respect to the bills.

I am sure you will understand that I would be delighted to appear before your group, but that the shortness of notice leaves me with no alternative but to resort to a written statement in view of other appointments and commitments in connection with the work of this committee.

Permit me to add that we in this committee so long concerned with the problems of intergovernmental relations welcome the work of your subcommittee as part of a common effort toward a more effective union. I wish to extend my congratulations to you and the members of your committee.

Sincerely,

ELISHA T. BARRETT, *Chairman.*

STATEMENT OF HON. ELISHA T. BARRETT, CHAIRMAN, JOINT LEGISLATIVE COMMITTEE ON INTERSTATE COOPERATION, STATE OF NEW YORK

The New York Joint Legislative Committee on Interstate Cooperation has, I believe, been engaged in the work of intergovernmental relations longer than any legislative group in the country. We were created in 1935 by the Legislature of New York as the agency of this State in that common movement which has been associated with the Council of State Governments. In consequence the committee has had a long experience with interstate and Federal-State relations. We applaud the efforts to implement intergovernmental relations as represented in recent years by the creation of an office of Assistant to the President, the Joint Federal-State Action Committee, the Kestnbaum Commission and your own Subcommittee on Intergovernmental Relations. We sympathize with your proposal to strengthen this effort by another broad study of intergovernmental relations. However, we feel that a great deal of consideration should be given to the creation of any new mechanism and we are not certain that the mechanism which is proposed in the current bills is the answer. We feel that further study should be given to the matter and in that study the States, possibly through the Council of State Governments, should play a part in the formulation of the proposed legislation.

You will remember that in our statements before your committee on previous occasions we have emphasized the need for some congressional channel through which the States could go when they ran into difficulties at Washington in connection with consent to compacts and other matters. The statement of Professor Zimmermann on my behalf and the memorandum for your committee prepared by Professors Zimmermann and Wendell of the staff of this committee point out the difficulties we have encountered and some of the mitigating procedures we suggest. Frankly, we would be greatly encouraged if we could come to your committee when we run into trouble, just as we now can resort on the executive level to the Assistant to the President. We recognize that neither

of these procedures is ever going to be perfect. They are, quite frankly, makeshifts, but certainly even as makeshifts they are something which we have lacked in the past. We need a channel to Congress similar to the channel to the President even if these channels are far from a sufficient answer.

We recognize the need for a broad and continuing study of intergovernmental relations such as you suggest, but we would like a mechanism in which State participation could be more effective and through which recommendations as to Federal legislation could be made. In other words, we would like to make the role of the agency much more concrete so that it could recommend as well as study. We certainly agree that Congress must be more conscious of its role as the principal guardian of the Federal system and that there must be a body which will advise Congress of the effect of some of its legislative proposals upon the Federal system and State administration and which should try and provide certain guiding standards for Federal legislation. Possibly this role would be better performed by your committee than by the proposed Commission. In any event, it would, of course, have to be buttressed by constant investigation and study.

Certainly we agree that local governments should be represented in the makeup of any such intergovernmental agency. However, we are not certain about the desirability of your present pattern of representation. Many issues of Federal-State relations do not concern local governments, but deal completely with State power and State administration. We recognize that local advice on these matters may be very helpful, but we are not sure as to what weight should be accorded their vote on some of these issues.

We respectfully suggest that your committee give further consideration to this proposed Commission and that a group representative of the States selected by the Council of State Governments be invited to sit down with your committee in the possible formulation of legislation which will more effectively achieve the generally desirable purposes which you seek. As you know, this is in accordance with one of the points which this committee has made on a number of occasions, namely, that in Federal legislation affecting the States resort be had to joint Federal-State drafting at an early stage in the proceedings. It is too difficult for us to comment on a bill which has already been formulated completely on the Federal level, even though we recognize the States are being asked to testify. We feel that if the Joint Action Federal-State Committee or a committee of the Council of State Governments could consider this matter from the State point of view and then sit down with your committee, you would have a much more organized and satisfactory procedure.

STATE OF NEW YORK
JOINT LEGISLATIVE COMMITTEE ON INTERSTATE COOPERATION,
NEW YORK, N.Y., *July 2, 1959.*

Hon. L.H. FOUNTAIN,
Chairman, Intergovernmental Relations Subcommittee of the Committee on Government Operations, House Office Building, Room 101, George Washington Inn, Washington, D.C.

DEAR CONGRESSMAN FOUNTAIN: Thank you for your letter of June 24. Again permit me to express, on behalf of this committee, our appreciation of your correspondence on this and other occasions.

We appreciate the efforts of your committee and the sincerity of the sponsors of the legislation to create a Commission To Study Intergovernmental Relations. We recognize and have recognized on a number of occasions the need for continued efforts in the improvement of intergovernmental relations. Nevertheless, while we do not criticize your committee's efforts, we look somewhat doubtfully at the way the present project is being handled. I hope that you will forgive our being frank without meaning to be critical. As you know, we are probably the oldest legislative agency in the country dealing specifically with Federal-State and interstate relations. Some of our membership and our staff has had a quarter of a century's experience in this field.

Our past statements to your committee indicate why we do not think the procedure your committee is now following is a desirable one in Federal-State relations. Your original letter to us was dated June 4 and gave us a fortnight to comment for your hearings. Your latest letter, dated June 24, gave us another fortnight to make specific suggestions. In past times before your committee we have stressed, among other things, two very basic improvements in

procedure. First, that legislation affecting Federal-State relations be jointly drafted in consultation with the States. Second, that in consideration of Federal-State matters, the States be given an opportunity to consult with each other. The legislation which your committee proposes is very important. Certainly the States should be given an opportunity to join in the drafting, to consult with one another through their joint machinery and to present some common statement in an effective fashion. I think, in all fairness, you will recognize that this committee is under a distinct disadvantage in trying to be constructive about this proposed legislation in view of the lack of time for any joint State consideration of the matter.

Moreover, the bill itself reflects occasions of some of the same objections. It does not really provide for effective State representation nor has there been any really significant action to establish a joint Federal-State study commission. An opportunity to begin an effective exploration in improvement of Federal-State relations by establishing a really joint Federal-State agency is lost.

The methods which various arms of the Federal Government employ to secure the view of the States or representation of them are not well suited to their announced objective. Advisory committees and agency members chosen by the President or some other Federal official undoubtedly have their uses, but they cannot supply a reliable voice for the States as a whole. Nor does the polling of Governors or any other type of State official (either on a broadside or selective basis) present much likelihood of truly reflecting the actual sentiments of the States.

Selection by the Federal Government (with or without prior State nomination) of persons who are to serve on federally created bodies as State representatives seems to be enjoying something of a vogue. To contend that they are really State representatives is much like contending that the President or some other Federal body could pick one person from each congressional district and two other persons from each State and thereby produce a representative Congress of the United States. The Congress is a representative body because it is chosen directly by those whom it represents and is responsible to them for continuance in office. This obvious truth is equally applicable to the choice of persons who are to be State representatives in any more than surface appearance. It is no answer to say that federally selected persons may be competent or that the selector may find it helpful to have their views. But a representative is a person chosen by the group being represented to speak for it and not someone chosen by another agency, however skillful, well intentioned or well informed.

Similarly, the polling of individual Governors or other State officials is not a reliable way of obtaining State views. In the first place, the letters containing questions on a particular topic in which Congress or a Federal agency may have become much interested arrive on the State official's desk without notice and out of context. They invite ex parte answers which, in the very nature of the situation, are bound to be somewhat superficial.

But even aside from this limitation is a consideration that no Member of Congress should find strange. Suppose that in the fall of the year when Congress is not in session, a Federal official were to send a letter to each Member of Congress asking for an opinion on a subject not hitherto extensively considered by that body when assembled in Washington. It would be ridiculous to contend that a statistical tabulation of the individual responses, or any other analysis of them that might be made, could be taken to represent the views of Congress. Arriving at a concensus or a majority view in the forum of the Capitol adds a new dimension to the proceeding which alters the result both in degree and in kind. The same thing is true of State views and of the processes by which they are arrived at.

The seriatim solicitation of State opinion and the external selection of State representatives is the more perplexing and disturbing when it is recognized that the States have purposely created and maintain an official joint agency with responsibilities in intergovernmental relations. This agency is the Council of State Governments which serves as secretariat to the National Governors' Conference, the National Association of Attorneys' General, the National Association of Budget Officers, the National Legislative Conference and a variety of other key policymaking categories of State officials. Since a forum for gathering State opinion and supplying staff assistance in its evolution exists, it should be used—not circumvented or displaced.

We are far from convinced that the Commission proposed by legislation now before your committee should be established without further serious thought

to its purposes and manner of organization. But, whenever it may be established genuine State representation should be provided. This means that the legislation must contain specific provision for designation of such representation by the States; not by the President or some other Federal agency, and not by the Federal Government on the mere nomination of the States or of individual States. We strongly suggest that the Council of State Governments is the appropriate instrumentality for the securing of such representation and that this fact should be specifically written into the bill.

Frankly, there is no reason, constitutionally or otherwise, why the Federal Government could not establish a commission or join with the States in establishing a commission to which the States would send representatives of their own choosing. If we are to make any progress in Federal-State relations, we must be willing to go past some of the ancient fetishes, those at the Federal level as well as those at the State.

If, however, Washington persists in establishing this Commission in its present form, at least some effort should be made to bring the States more clearly into the picture by providing or agreeing that some of the private citizens appointed by the President shall be from the State side of the picture, as recommended by the Council of State Governments. Particularly it should be understood or provided that some of the staffing should include people recommended by the Council of State Governments so that the State side may have a voice in the consideration and formulation of the matters laid before the Commission.

Sincerely,

ELISHA T. BARRETT,
Chairman.

STATEMENT OF HON. VERNON A. CHEEVER, REPUBLICAN CAUCUS CHAIRMAN, COLORADO STATE SENATE

Mr. Chairman and members of the Committee on Governmental Relations, inasmuch as it is impossible for me to be in Washington, D.C., at this time, I should like to submit this brief statement in support of H.R. 6904 and H.R. 6905.

I have always believed we should preserve the rights of the States and also feel the best government is the least government . I feel that a commission set up for purposes outlined in H.R. 6904 and H.R. 6905 is not only desirable, but necessary, if we are to maintain the balance between Federal, State, and local government. Naturally these balances change as time moves on. Therefore, we need this Commission to keep abreast of the changes and as problems arise, to make recommendations to the different levels of government in the areas studied. As has been pointed out many times there are some areas of government which are wholly the problem of one level of government, some areas parallel in one or more levels in operation, while others are solved by cooperative action.

Originally our Federal Government was based on a strong State and local government; but as time passed the Federal Government took over more and more the duties of the States.

Many problems have come up during the years of our growth. Not the least of these is our regulations of industry. Our rapidly expanding population in both urban and rural areas present their special problems also. Other problems in many fields have arisen; all these have brought about certain regulations in the different levels of government. In which level the responsibility lies has been a subject of much controversy in the various levels of government.

In the past studies have been made to determine in what fields each level should operate, whether exclusively, in parallel, or cooperatively. To take advantage of these studies, and the studies the Subcommittee on Intergovernmental Relations have recently made, it is necessary that a commission be created by law which can carry out the purposes proposed, in H.R. 6904.

June 14, 1959.

STATEMENT OF BREVARD CRIHFIELD, EXECUTIVE DIRECTOR, THE COUNCIL OF STATE GOVERNMENTS

The Council of State Governments is a joint instrumentality of all the States. Among its purposes are the following: (1) To improve the administration of State government; (2) to foster interstate cooperation; and (3) to facilitate State-Federal relations. The present statement deals with the third enumerated

purpose in its broad sense of intergovernmental relationships. Your committees have under consideration at this time at least three bills in this area: H.R. 6904, H.R. 6905, and S. 2026; identical measures to establish an Advisory Commission on Intergovernmental Relations. Moreover, there are quite a few other proposals in bill form or at the discussion stage, which would establish a department of urban affairs, or a continuing commission on metropolitan regions, or a special commission to study metropolitan problems, or an intergovernmental reference library and research unit. In my opinion, most of these proposals tend to be mutually exclusive insofar as wisdom of enactment is concerned. There would be little point and scant contribution to the public good in moving forward along all these lines at the same time.

For approximately 4 years Representative Fountain's Intergovernmental Relations Subcommittee has been doing a magnificent job of reviewing and analyzing important issues of a most difficult yet fascinating subject—the complex maze of intergovernmental relationships in the United States. It is my sincere hope that this essential work will continue to be carried on by the subcommittee. In addition, I should like to suggest a logical next step for consideration by the Congress, namely, the creation of a special joint committee unit to deal with problems of intergovernmental relations. My thought would be that such a special committee should be operated under the aegis of the respective Senate and House Committees on Government Operations; that the joint unit would be empowered to study intergovernmental relations in a broad context, with particular emphasis on emerging problems which are likely to cut across layers of government; that the joint group would be of assistance to standing committees of the Congress on a formal or informal basis; that there should be a competent professional staff of adequate size to carry on necessary studies, investigations, and research; and that there would be continuing liaison with such groups as the American Municipal Association, the United States Conference of Mayors, the National Association of County Officials, and the Council of State Governments and its affiliates.

In my opinion, there can be no doubt as to the desirability of continuing congressional scrutiny of intergovernmental relations and the problems arising therefrom. Various methods can be and have been developed by the executive branch of the Federal Establishment for furthering cooperation with States and their political subdivisions. This, too, is important. But the legislative branch in the final analysis sets the general rules for, and fixes the "tone" of, our Federal form of government. In short, the Congress has need for its own continuously available device to keep in touch with the delicately balanced intergovernmental structure which constitutes the American Federal system.

With regard to the specific House and Senate bills which are the object of your immediate consideration—H.R. 6904, H.R. 6905, and S. 2026—it would be presumptuous of me to make personal comment at this time. My official capacities include that of being secretary of the Governors' Conference. As you know, Gov. LeRoy Collins, of Florida, is chairman of the Governors' Conference,[1] and earlier this year he designated Gov. Robert Smylie, of Idaho, to serve as chairman of the Governors' Conference Special Committee on Federal-State Relations. That committee has given preliminary consideration to the measures cited above as well as to the numerous other pending bills or proposals of a related nature which I mentioned earlier. For me to prejudge or anticipate the findings and conclusions of Governor Smylie's committee would not be feasible, nor would it be in good taste. I believe that Governor Collins and Governor Smylie have communicated with Representative Fountain and Senator Muskie, describing the current situation. I feel sure that subsequent communications will clarify the position of the duly established committee of Governors which can speak with authority on behalf of the Governors' Conference and the Council of State Governments.

June 15, 1959.

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[1] Governor Collins is also president of the Council of State Governments.

LAFAYETTE, CALIF., *June 18, 1959.*

Congressman L. H. FOUNTAIN,
Chairman, Intergovernmental Relations Subcommittee,
House Office Building, Washington, D.C.

DEAR CONGRESSMAN FOUNTAIN: I have been away from my office and did not have an opportunity to read your letter and review H.R. 6904 until today.

I thoroughly agree with your views, and would be pleased to assist in any way that I can.

I should call your attention, however, to the fact that after serving 10 years in State government, it appeared logical for business and personal reasons not to file for reelection. Hence, since January of this year, I have rejoined the ranks of the private citizen.

Cordially yours,

L. H. LINCOLN.

[Telegram]

SACRAMENTO, CALIF., *June 16, 1959.*

JAMES R. NAUGHTON,
Counsel, Intergovernmental Relations Subcommittee,
House Office Building, Washington, D.C.:

Permanent Advisory Commission on Intergovernmental Relations should be established. Present composition of proposed Commission of 24 members with only 1 county official is shocking under representation of basic level of local government. Counties merit at least equal representation with cities and States. California counties now have 85,000 employees, operate 70,000 miles of highways, and spend $1,200 million annually. Token representation of one county official on any commission is strikingly unrealistic. California's 58 counties respectfully plead for equitable representation for county government on Intergovernmental Relations Commission.

WM. R. MACDOUGALL,
General Counsel and Manager, County Supervisors Association of California, Sacramento, Calif.

HOUSE OF REPRESENTATIVES,
Washington, D.C., June 27, 1959.

INTERGOVERNMENTAL RELATIONS SUBCOMMITTEE,
House Committee on Government Operations,
Room 101, George Washington Inn,
Washington, D.C.

GENTLEMEN: I am in receipt of a resolution of the Supervisors Intercounty Committee, composed of the supervisors of the six counties in and around the metropolitan Detroit area, regarding the composition of the proposed Permanent Commission on Intergovernmental Relations. I am enclosing a copy of their communication to me.

It seems to me that county officials would be underrepresented if there is only one county representative and I would appreciate any consideration you can give to my friends' request.

Very truly yours,

JAMES G. O'HARA.

SUPERVISORS INTERCOUNTY COMMITTEE,
Detroit, Mich., June 25, 1959.

Hon. JAMES G. O'HARA,
Representative, U.S. House of Representatives,
Congress of the United States, Washington, D.C.

DEAR SIR: It has come to the attention of the Supervisors Intercounty Committee, a voluntary association of the boards of supervisors of the counties of Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne, that the House Intergovernmental Relations Subcommittee is sponsoring legislation to create a Permanent Commission on Intergovernmental Relations, consisting of 23 Federal, State, and municipal officials and only 1 county official.

The Supervisors Intercounty Committee feels that should this permanent commission be created that it should have at least two additional county repre-

sentatives who have a firsthand, working knowledge of the problems of local government.

We are submitting the following resolution which was unanimously adopted by the members of the Supervisors Intercounty Committee on June 18, 1959:

"RESOLUTION IN SUPPORT OF A PERMANENT COMMISSION ON INTERGOVERNMENTAL RELATIONS

"Whereas experience has shown the need for a permanent body to constantly review the increasingly complex relationships between the Federal, State, and local governments; and

"Whereas the House Intergovernmental Relations Subcommittee is sponsoring legislation to create said Commission, to be made up of 23 Federal, State, and municipal officials and only 1 county official: Now, therefore, be it

"*Resolved*, That the Supervisors Intercounty Committee supports the creation of the Commission but urges that its membership be increased to 25 and that counties be allowed at least 2 additional representatives to be appointed by the President from a list of names submitted by the National Association of County Officials; and be it further

"*Resolved*, That copies of this resolution be presented to the Michigan congressional delegation and the National Association of County Officials."

As executive secretary of the Supervisors Intercounty Committee, I wish to acknowledge and thank all of our Congressmen for the cooperation and help extended in seeing that the previous Supervisors Intercounty Committee resolution regarding the Clark bill, S. 1431, was brought to the attention of their responsible colleagues in the Congress of the United States.

The Supervisors Intercounty Committee endorses and supports H.R. 7282, which is a bill concerning the establishment of a commission on metropolitan problems, set up on a temporary basis.

Regarding the bill proposing the creation of a permanent commission on intergovernmental relations, the Supervisors Intercounty Committee feels strongly that the membership should be increased to 25 and that counties be allowed at least 2 additional representatives to be appointed by the President from a list of names submitted by the National Association of County Officials.

We respectfully submit the foregoing resolution for your consideration.

Very truly yours,

GERARD H. COLEMAN,
Executive Secretary, Supervisors Intercounty Committee.

CHAMBER OF COMMERCE OF THE UNITED STATES,
Washington, D.C., June 27, 1959.

Hon. L. H. FOUNTAIN,
Chairman, Intergovernmental Relations Subcommittee, House Committee on Government Operations, Washington, D.C.

DEAR MR. FOUNTAIN: The national chamber endorses the general objectives of H.R. 6904, H.R. 6905, and S. 2026, to establish an Advisory Commission on Intergovernmental Relations, which Commission is intended to—

"(1) Bring together representatives of the Federal, State, and local governments for the consideration of common problems;

"(2) Provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;

"(3) Give critical attention to the conditions and controls involved in the administration of Federal grant programs;

"(4) Make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;

"(5) Encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation; and

"(6) Recommend, within the framework of the Constitution, the most desirable allocation of governmental functions and responsibilities among the several levels of government."

The increasing magnitude and complexity of intergovernmental relations problems in our Federal system make it imperative that adequate organizational arrangements be established to give such problems continuing attention. The

chamber, however, does not believe that the proposed role of the Advisory Commission or the specific organization and procedures contained in these bills will meet the stated objectives with maximum effectiveness.

The proposed Advisory Commission on Intergovernmental Relations appears to be established in an administrative limbo without attachment to any organizational element of the Federal Government. As such it is not likely to receive the attention it merits from either Congress or the executive branch, and it would probably not command the prestige and respect which is required for dealing with this most important function. The legislation would merely establish another part-time Advisory Commission to Government with a full-time staff to which it is doubted the Advisory Commission on Intergovernmental Relations could provide either proper supervision or attention. It would be indeed unfortunate for such an effort as is proposed in this legislation to suffer from such organizational deficiencies, to become lost in the complexity of the Federal Government, and to be rendered ineffective.

The national chamber believes certain changes are needed if the stated purposes of the proposed legislation are to be accomplished. Therefore, we recommend that the committee amend the proposed legislation to accomplish the following:

(1) Establishment in the Executive Office of the President of an Office of Intergovernmental Relations which would have a small, competent professional staff. In order to insure quality and provide staff continuity, these positions should be subject to the civil service laws and the Classification Act of 1949, as are other comparable staff agencies in the Executive Office. The Chief of this Office should be considered on the policy level and should be appointed by the President.

The principal difference between this recommendation and the proposed legislation is that the staff required to conduct the continuous studies and investigations would be affixed to a top level organizational element in the executive branch. This recognizes the importance of the function and removes the staff from the uncertain status it would have as an independently operating group supporting a part-time Advisory Commission. This recommendation would tend to isolate, to some degree, the studies and investigations of intergovernmental relations problems from partisan considerations.

(2) In section 5 of the proposed legislation, the duties of the Advisory Commission should be recast. The Advisory Commission's responsibilities generally should include advice to Congress, to the President, and to the Office of Intergovernmental Relations regarding intergovernmental relations problems. It should have the authority to establish or approve the agenda of studies and investigations to be conducted by the Office of Intergovernmental Relations. This would enable the Commission to assign proper priorities to staff work on specific studies or investigations.

(3) Appropriate legislative committees—or a joint committee—should be designated by Congress to receive the annual report of the Advisory Commission on Intergovernmental Relations, or such special reports as the Commission might submit, conduct hearings on such reports, and initiate appropriate action on the problems presented.

The composition of the Commission as proposed in the bill and the general proposals for organization of the Commission contained in sections 3 and 4 appear to be generally sound. Similarly, the provisions on the compensation of Commission members seem to be satisfactory, but staff salaries other than that of the Director, should be subject to existing civil service pay schedules for comparable work, as recommended above. Other provisions of the proposed legislation which are inconsistent with the intent or spirit of the recommendations made above should be removed from any bill before its approval.

The national chamber believes that with these suggested changes, H.R. 6904, H.R. 6905, and S. 2026 can provide an effective means for solving some of the major problems of our Federal system.

I would appreciate it if you would make this a part of the record of your current hearings.

Cordially yours,

CLARENCE R. MILES.

AMERICAN FEDERATION OF LABOR AND CONGRESS
OF INDUSTRIAL ORGANIZATIONS,
Washington, D.C., July 7, 1959.

Hon. L. H. FOUNTAIN,
Chairman, House Subcommittee on Intergovernmental Operations,
House Office Building, Washington, D.C.

DEAR CONGRESSMAN: I wish to take this opportunity to present the support of the AFL–CIO of H.R. 6904, introduced by you; H.R. 6905, introduced by Congresswoman Florence P. Dwyer; and S. 2026, introduced by Senator Muskie for himself and 23 of his fellow Senators.

The need for establishing a permanent Advisory Commission on Intergovernmental Operations has been adequately covered in the statements issued by the sponsors of the bills mentioned above and documented in the hearings held by the Intergovernmental Relations Subcommittee back in 1957.

It was my privilege then to present the AFL–CIO position to the Intergovernmental Relations Subcommittee which was holding hearings on relations between the Federal Government and the States, and municipalities. I said at that time: "* * * American labor has long been conscious of the necessity and inevitability of changing functions and responsibilities in the relationships between the various levels of government as the Nation grows. Our awareness has emerged from our own experience as we have sought solutions to new and pressing problems, and from the change in the relationships of trade unions themselves as they too have responded to changing times.

"Years ago, when almost all business enterprises were small and locally owned and operated, most of the problems of the worker's daily life were resolved in the community in which he lived. Union interests, as a consequence, were essentially local, too. Life was less complex and the role of government was, indeed, small. Public services were few in number and those provided were essentially local. In 1890, for example, the total outlay of all governments—Federal, State, and local—was only $847 million and 55 percent of this total was spent by the local governments. Moreover, when public outlays for civilian services are separately considered, the expenditure share of the localities rose to 72 percent. (Source: 'The Growth of Public Expenditures in the United States, 1890–1948,' by R. A. Musgrave and J. M. Culbertson, National Tax Journal, June 1953.)

"In the years since then, the American economy has been transformed. More and more business enterprises have become national in scope. Goods, services, and capital are now marketed over the entire Nation.

"The growth of Federal grants-in-aid to the States and local governments—and likewise the concurrent growth of State grants to their own localities—also reflect new governmental responsibilities that changing times and needs have brought about.

"The important principles which underlie intergovernmental grants-in-aid justify more than mere discussion of the alleged 'freight charges' involved in transferring revenue from one unit of government to another.

"In the first place, grants-in-aid—through the use of matching principle—encourage the recipient States and localities to undertake, and to give financial support to new forms of public service which are deemed vital to the broader interest.

"In addition, grants-in-aid enable poorer governmental units to raise their minimum standards of public service to a level which would not be achieved without them.

"The AFL–CIO regards intergovernmental grants-in-aid to be essential in a humane and increasingly interdependent nation. Surely, all children, regardless of the accident of their place of birth, deserve an opportunity to get an adequate education. Surely, the indigent in this land of unequaled wealth are entitled to a minimum standard of subsistence. Surely, all of us have a stake in safeguarding the public health. Surely, the provision of adequate highways and hospitals in all parts of the country are essential to national security as well as to the welfare of the local citizenry."

The AFL–CIO agrees wholeheartedly with the statement of the Commission on Intergovernmental Relations that the role of the Federal Government must be constantly reappraised. Practices of all governments—like those of all other human institutions—can quickly become outdated and inefficient. At all levels, government must learn to readjust to changing needs and times and the process of reappraisal, indeed, must be a continuing one. The establishment of a per-

manent Advisory Commission on Intergovernmental Relations would constantly make this reappraisal and could make effective recommendations.

Hoping you will make this letter a part of the official proceedings of the hearings, I am,

Sincerely yours,

ANDREW J. BIEMILLER,
Director, Department of Legislation.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., July 8, 1959.

Hon. WILLIAM L. DAWSON,
Chairman, Committee on Government Operations, House of Representatives, 1501 New House Office Building, Washington, D.C.

MY DEAR MR. CHAIRMAN: This letter is in response to your request for our views on H.R. 6904 and H.R. 6905, identical bills "to establish an Advisory Commission on Intergovernmental Relations."

Since the President's Commission on Intergovernmental Relations was established and following its report in 1955, the executive branch has been engaged in enlarged efforts to improve the relations between levels of government throughout the United States. One of the most important recommendations made by that Commission was for the creation within the Executive Office of the President of a permanent center for overall attention to the problems of interlevel relations. That proposal was accepted and in June 1956 the President created the Office of the Deputy Assistant to the President for Intergovernmental Relations with a small staff supplemented by the assistance of the Bureau of the Budget. That Office has handled a number of matters on a case-by-case basis involving State and local problems and has served as a liaison between the Federal Government and organizations of public officials representing State, county, and local governments.

In June 1957, in an address before the Governors' Conference at Williamsburg, the President proposed and the Governors concurred in the establishment of a Joint Federal-State Action Committee with the threefold purpose of determining: (*a*) which grant programs could be transferred to the control of States, (*b*) which Federal revenue sources could be simultaneously transferred to the States for the continued support of programs so transferred, and (*c*) what problems were emerging requiring a decision as to which level or levels of government would be responsible for their handling.

The Joint Action Committee has been meeting regularly since 1957 and has addressed itself to a large number of intergovernmental problems, including the transfer of two grant programs and a tax credit against the Federal tax on local telephone service, which proposal is now pending in the current session of the Congress. It has also reached agreement for a more effective liaison between the Executive Office of the President and the respective Governors' offices.

In many other ways the Bureau of the Budget, in behalf of the executive branch, maintains effective relationships with groups of public officials and professional and technical experts of all three levels of government, including attendance of Bureau staff members at conferences held by State and local groups. The Bureau cooperates with the Council of State Governments in the clearance and consideration of suggested State legislation, and with State and local tax authorities and budget officials in fiscal matters. It also maintains liaison with the various interstate compact commissions both in their formulative stage and in their later implementation.

While numerous important improvements in intergovernmental relationships and understandings have taken place recently, a statutory commission of the type suggested by H.R. 6904 and H.R. 6905 might add another important link in these relationships. Accordingly, the Bureau of the Budget is sympathetic with the objective of creation of a Commission on Intergovernmental Relations which would be advisory to the President and the Congress. Such a Commission might well supplement and complement current efforts now being made within the executive branch and by the House and Senate Committees on Government Operations. However, to best serve the purposes for which it is intended, the Bureau of the Budget believes that the bill should be amended in certain significant respects.

First, H.R. 6904 and H.R. 6905 provide for excessive restrictions on the President's appointing power. The bill requires that only certain groups be eligible for positions on the commission. The panels from which they are to be chosen are extremely small, allowing almost no discretion on the part of the President, and the panels are limited to those submitted by specific organizations. There should be no such limitation on Presidential appointments. Moreover, it would seem appropriate for the membership of the Commission not to be based on representation from the executive branch or from specific levels of State and local government. Rather, members should be persons of public stature who have had wide experience in governmental affairs and will represent the general public interest. In view of the questions with which the proposed Commission would be concerned, it could be authorized to consult on a continuing basis with advisory bodies made up of Governors, State legislators, mayors, county officials, and other individuals or groups interested in the many problems of intergovernmental relations.

Second, it is believed that a 24-member Commission consisting of 18 persons appointed by the President and 6 Members of Congress might tend to be unwieldy. A smaller membership with greater discretion for the President in appointments would make for a more effective Commission and still permit representation of differing backgrounds and points of view.

Third, to have the Chairman and Vice Chairman of a proposed Federal Commission appointed by someone other than the Chief Executive is a major deviation from accepted practices and further weakens the President's appointing authority. The procedures provided in H.R. 6904 and H.R. 6905 for appointment of the Chairman would make him responsible only to the Commission itself and the Commission in turn not responsible to any officer or branch of the Government. The bill should be amended to provide that the Chairman and Vice Chairman be appointed by the President, and we believe that the staff director should be appointed by the Chairman. Given the permanent nature of the proposed Commission, all staff should be subject to the civil service laws and the Classification Act of 1949.

Fourth, both bills provide that the term of office for each member of the Commission should be limited to 2 years with eligibility for reappointment. It is believed, in conformance with general practice, that the bill should provide for appointment by the President of Commission members without fixed limitation in regard to term of office.

Fifth, the bills would authorize the Commission to secure from any department, agency, or independent instrumentality of the executive branch any information that the Commission deems necessary to carry out its functions, and would authorize and direct any such agencies to furnish any such information as the Commission deems necessary. In order to avoid any question regarding the authority of the executive branch to withhold information where its disclosure would not be in the public interest, it is recommended that the following language be substituted for the language of section 6(b):

"The Commission is authorized to request from any department, agency, or independent instrumentality of the Government any information it deems necessary to carry out its functions under this Act; and each such department, agency, and instrumentality is authorized to cooperate with the Commission and, to the extent permitted by law, to furnish such information to the Commission, upon request made by the Chairman or by the Vice Chairman when acting as Chairman."

If the proposed measure were amended as recommended above, the Bureau of the Budget would have no objection to its enactment.

Sincerely yours,

(Signed) MAURICE H. STANS,
Director.

(Whereupon, at 12:25 p.m., the joint committee recessed to reconvene at the call of the chairman.)

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LEGISLATIVE HISTORY

Public Law 86-380

H. R. 6904

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INDEX AND SUMMARY OF H. R. 6904

May 6, 1959	Rep. Fountain introduced and discussed H. R. 6904 which was referred to House Committee on Government Operations. Print of bill as introduced and remarks of Rep. Fountain.
	Rep. Dwyer introduced H. R. 6905 which was referred to House Committee on Government Operations. Print of bill as introduced.
May 21, 1959	Senator Muskie and others introduced and Senator Muskie discussed S. 2026 which was referred to Senate Committee on Government Operations. Print of bill as introduced and remarks of Senator Muskie.
July 23, 1959	Senate committee voted to report S. 2026.
July 27, 1959	Senate committee reported S. 2026 with amendment. Senate Report 584. Print of bill and report.
July 30, 1959	House committee voted to report H. R. 6904.
July 31, 1959	House committee reported H. R. 6904 with amendments. House Report 742. Print of bill and report.
Aug. 6, 1959	Senate passed over S. 2026.
Aug. 17, 1959	House passed H. R. 6904 under suspension of the rules.
Aug. 18, 1959	H. R. 6904 was placed on Senate Calendar. Print of bill.
Aug. 24, 1959	Senate passed over H. R. 6904.
Sept.10, 1959	Senate passed H. R. 6904 with amendment in lieu of S. 2026. S. 2026 indefinitely postponed due to passage of H. R. 6904.
	Senate appointed conferees.
Sept.11, 1959	House appointed conferees.
Sept.12, 1959	Both Houses received and agreed to the conference report. House Report 1184. Print of report.
Sept.24, 1959	Approved: Public Law 86-380.
Hearing:	Joint House and Senate Government Operations Committees on H. R. 6904, 6905, and S. 2026.

DIGEST OF PUBLIC LAW 86-380

ESTABLISHMENT OF ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS. Establishes a permanent bipartisan Advisory Commission on Intergovernmental Relations, composed of 26 members, to study intergovernmental problems, including the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation, administration of Federal grant programs, technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system, desirable allocation of governmental functions, responsibilities, and revenues amont the several levels of Government, and tax laws and administrative practices generally. Directs Federal departments and agencies to furnish the Commission such information as it deems necessary to carry out its functions. Requires the Commission to submit an annual report to the President and the Congress on or before January 31 each year.

H. R. 6904

86TH CONGRESS
1ST SESSION

H. R. 6904

IN THE HOUSE OF REPRESENTATIVES

MAY 6, 1959

Mr. FOUNTAIN introduced the following bill; which was referred to the Committee on Government Operations

A BILL

To establish an Advisory Commission on Intergovernmental Relations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, herinafter referred to as the "Commission".

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest co-

operation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance of its duties, will—

(1) bring together representatives of the Federal, State, and local governments for the consideration of common problems;

(2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;

(3) give critical attention to the conditions and controls involved in the administration of Federal grant programs;

(4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;

(5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation, and

(6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions and responsibilities among the several levels of government.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of twenty-four members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be Members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;

(4) Four appointed by the President from a panel of at least six Governors submitted by the Governors' conference;

(5) Three appointed by the President from a panel of at least five members of State legislative bodies submitted by the board of managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least six mayors submitted jointly by the American

Municipal Association and the United States Conference of Mayors;

(7) One appointed by the President from a panel of at least two elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), and (6) of subsection (a), not more than two shall be from any one political party; of each class of members enumerated in paragraphs (5) and (6) of subsection (a), not more than one shall be from any one State; at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) The term of office of each member of the Commission shall be two years, but members shall be eligible for reappointment.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The President shall convene the Commission within ninety days following enactment of this Act at such time and place as he may designate for the Commission's initial meeting. The President, or his designee, shall

serve as the Commission's temporary Chairman pending the election of a permanent Chairman.

(b) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs 4, 5, and 6 of section 3 (a), each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least one name more than the number of vacancies.

(d) Where any member ceases to serve in the official position from which originally appointed under section 3 (a), his place on the Commission shall be deemed to be vacant.

(e) Twelve members of the Commission shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act;

(2) to consider, on its own initiative, ways and

means for fostering better relations between the levels of government;

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of, and remove a staff director without re-

gard to the civil service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil service laws and the Classification Act of 1949, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of, and remove such other personnel as he deems necessary

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals.

(e) Except as otherwise provided in this Act, persons in the employ of the Commission under subsections (c) and (d) (1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267),

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103),

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842).

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel expenses, including subsistence (or, in the alternative, a per diem in lieu of subsistence not to exceed the rate prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842), the Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for

travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

H. R. 6905

86TH CONGRESS
1ST SESSION

H. R. 6904

A BILL

To establish an Advisory Commission on Intergovernmental Relations.

By Mr. FOUNTAIN

MAY 6, 1959

Referred to the Committee on Government Operations

86TH CONGRESS
1ST SESSION

H. R. 6905

IN THE HOUSE OF REPRESENTATIVES

MAY 6, 1959

Mrs. DWYER introduced the following bill; which was referred to the Committee on Government Operations

A BILL

To establish an Advisory Commission on Intergovernmental Relations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, herinafter referred to as the "Commission".

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest co-

operation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance of its duties, will—

(1) bring together representatives of the Federal, State, and local governments for the consideration of common problems;

(2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;

(3) give critical attention to the conditions and controls involved in the administration of Federal grant programs;

(4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;

(5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation, and

(6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions and responsibilities among the several levels of government.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of twenty-four members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be Members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;

(4) Four appointed by the President from a panel of at least six Governors submitted by the Governors' conference;

(5) Three appointed by the President from a panel of at least five members of State legislative bodies submitted by the board of managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least six mayors submitted jointly by the American

Municipal Association and the United States Conference of Mayors;

(7) One appointed by the President from a panel of at least two elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), and (6) of subsection (a), not more than two shall be from any one political party; of each class of members enumerated in paragraphs (5) and (6) of subsection (a), not more than one shall be from any one State; at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) The term of office of each member of the Commission shall be two years, but members shall be eligible for reappointment.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The President shall convene the Commission within ninety days following enactment of this Act at such time and place as he may designate for the Commission's initial meeting. The President, or his designee, shall

serve as the Commission's temporary Chairman pending the election of a permanent Chairman.

(b) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs 4, 5, and 6 of section 3 (a), each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least one name more than the number of vacancies.

(d) Where any member ceases to serve in the official position from which originally appointed under section 3 (a), his place on the Commission shall be deemed to be vacant.

(e) Twelve members of the Commission shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act;

(2) to consider, on its own initiative, ways and

means for fostering better relations between the levels of government;

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of, and remove a staff director without re-

gard to the civil service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil service laws and the Classification Act of 1949, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of, and remove such other personnel as he deems necessary

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals.

(e) Except as otherwise provided in this Act, persons in the employ of the Commission under subsections (c) and (d) (1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267),

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103),

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842).

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel expenses, including subsistence (or, in the alternative, a per diem in lieu of subsistence not to exceed the rate prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842), the Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for

travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Open 24 Hours

JULIE A

86TH CONGRESS
1ST SESSION

H. R. 6905

A BILL

To establish an Advisory Commission on Intergovernmental Relations.

By Mrs. DWYER

MAY 6, 1959

Referred to the Committee on Government Operations

At best, available statistical measures are rough, and significance should not be attached to small- or short-period changes. Care should be used in selecting the time periods for which comparisons are made.

There was general agreement that more financial support is needed for governmental and private statistical agencies both for collection of data and, even more, for their analysis. It was urged that funds be appropriated for a survey of consumer expenditures to provide new weights for the Consumer Price Index. Funds should be made available for collection and more prompt publication of better data on all resources used in the economy, including labor and capital by type and amount actually used. Also, funds should be made available for needed knowledge of the compensation of unemployment, and compensation of nonproduction workers and employees outside of manufacturing.

II. FACTORS IN THE POSTWAR INFLATION

Money wages and retail prices have not risen as much in the United States as in most other industrial countries since 1948. The base year partially explains this difference, but if a more recent base year were chosen, our record would still be good by comparison.

There was considerable discussion of the relative importance of the upward pull of demand on prices as compared to the upward push of costs since the end of the war. It was generally agreed that during the immediate postwar period (1945–48) price movements were dominated by demand factors—the pentup demand carried over from the war, and the relatively easy money policies. After the outbreak of the Korean war in 1950, demand forces were again dominant for a brief period.

There was general agreement that the 1953–57 period had somewhat different characteristics: monetary restraint was greater, demand forces less buoyant, output growth less rapid, price rises somewhat smaller and profit margins lower. Wages continued to increase. The investment boom in 1955–57 created a demand pull for many producers' goods, and the shifts in consumer demand toward services (for example, medical services) contributed to the rising price of services, so that cost and demand factors were both operating. However, the continued advance of prices and wages in the late 1957–58 period could hardly be explained by general excess demand.

There were differences of opinion regarding the relative significance of these factors. Some participants placed primary stress on negotiated wage increases, especially in those industries where wages seem to have been "pushing against an open door," and pointed out that they tend to be transmitted in wage increases throughout the labor market and in price increases throughout the economy. Others called attention to the price policies of firms, particularly in highly concentrated industries, the effects of which are also transmitted throughout the economy. The interrelationship of market structure, wage policies, price policies and profits is seen clearly in the contrasting experience of the steel and clothing industries, for example. Since these forces often operate concurrently and are frequently interdependent, many participants felt it may be misleading to blame any particular factor or group for increases in labor costs and prices.

III. THE COMPATIBILITY OF NATIONAL ECONOMIC GOALS

There was considerable discussion of national economic goals and the extent to which they are compatible. These include a sustained and strong rate of economic growth, full employment, reasonable price stability, national security and industrial peace within the framework of our free institutions. There was general agreement that the achievement of some of these goals may involve the partial sacrifice of others.

Many felt that the average level of unemployment during 1953–58 of 4.7 percent (approximately 3 million unemployed) was too high. Reliance on large-scale unemployment to achieve price stability is intolerable in our present society. If the cost of price stability is a high level of unemployment (which may not be the case) many would prefer a mild increase in prices.

There was consensus that the rate of growth in the American economy should be increased, even if this interferes with the full attainment of other economic goals. Many believed that this would mean a 4 or 5 percent rate instead of the recent lower rate. They shared the view that a lower rate of economic growth imposed by an unduly restrictive monetary policy, the principal aim of which is price stability, impairs our international position, makes financing much-needed public improvements difficult, involves loss of production, increases unemployment, wastes skills, bears unevenly upon certain sectors of the economy, and imperils marginal firms. Some, however, dissented, holding that a higher rate of growth requires price stability, accompanied if necessary by a restrictive monetary policy.

Some thought that preoccupation with inflation impaired the attainment of other economic goals. Many believed that the Consumer Price Index is not likely to increase very much in the next several years. A minority felt that we will have more inflation unless vigorous action is taken to arrest the cost-push as well as to restrain demand. This difference was reflected in the discussion of policy choices.

IV. POLICY PROPOSALS

1. We should seek maximum sustained economic growth as a primary national objective because it is essential to the improvement of living standards and national security. In the pursuit of economic growth, however, we should seek to maintain a reasonably stable price level and to hold unemployment to the minimum necessary to preserve flexibility in the economy. Although the United States has done reasonably well since 1951 in maintaining price stability, we should develop a higher utilization of the labor force and achieve faster economic growth through increased productivity.

2. It is urgent that management, labor, and Government take measures to accelerate the rate of increase in productivity. Among the steps that can be taken are these: increasing expenditures on research and development; improving the quality of education; training more scientific, technical, and managerial personnel; upgrading the skills of the labor force; eliminating restrictive practices by labor and management; and stimulating the ideas and energies of our work force.

3. Measures should be taken to increase worker mobility and to improve the operation of the labor market. Such measures might include severance and relocation allowances, retraining programs, employment of qualified older workers, transferability of pension rights, the extension of seniority units, provision of part-time jobs, and diversification of economic activity in distressed areas.

4. Although reliance on unemployment is not an acceptable method of controlling inflation, it is recognized that a dynamic economy brings about fluctuations in employment in particular occupations, industries and areas.

5. Radical change in our present wage-setting machinery would not be a fruitful approach to the inflation problem. Foreign experience does not suggest the desirability for the United States of economywide bargaining as an alternative to our more c system. Breaking up national smaller units would also not be way of seeking greater wage stability.

6. The average increase in outp hour in the economy as a whole consideration in wage negotiat view of the numerous other f weighed and reconciled, it cannc criterion of a proper adjustmen

7. Appropriate monetary and are necessary to deal with infl from excessive demand. Howe liance on these measures is for dealing with price increases of excess capacity and unemplo

8. Despite the seriousness of international position, direct ge ment controls of prices and wage patible with the institutions economy.

9. As one means of achieving p the government should work to market in agricultural produc advances in productivity. Spec should be provided to ameliora hardships upon individuals.

10. Price stability should be by reducing tariffs and other to international trade. Measure temporary relief for areas adve by tariff policy may be appropr itate readjustments.

11. Effective competition wil down prices raised by monopoly favor vigorous enforcement of laws. Acts in restraint of trade i for goods and services, now committed by business firms and unions jointly, should al when undertaken by unions a

12. Pleas by Government offi straint and responsibility in wa decisions are likely to have lit the course of wage and price mo

Some participants thought tries of important as pattern s be subject to impartial factfind their wage bargains and price acquaint the public with their c However, very few supported a p laying the putting into effect price increases in key indust public investigation.

13. An annual conference of agement, and Government re should be convened, shortly af sentation of the President's Econ to discuss wages, prices, profits, tivity as related to national ecc These sessions should not be co any particular contract negoti objective is to reduce the diver about the short-term and lon nomic outlook and to discuss private and public policies to ac and stability.

Mr. Speaker, if one notes background of the particip 15th American assembly, or by the fact that the recom in the final report are noneth ingful. This is in accord wit ing spirit of the America when it was established b University in 1950. Dwigh hower, then president of Col versity, said:

The American assembly pres the practice of democracy dem ual sacrifices, particularly in re vergent views in order to accom mon purpose.

As one who was privileged pate in the 15th American

am deeply grateful to those who have made it possible, including the American assembly's officers: Henry M. Wriston, president; Clifford C. Nelson, vice president; Peter C. Grenquist, secretary.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

The SPEAKER. Under the previous order of the House, the gentleman from North Carolina [Mr. FOUNTAIN] is recognized for 30 minutes.

(Mr. FOUNTAIN asked and was given permission to revise and extend his remarks and to include a copy of a bill.)

Mr. FOUNTAIN. Mr. Speaker, I have today introduced a bill to establish a permanent Advisory Commission on Intergovernmental Relations. The ranking minority member of the Intergovernmental Relations Subcommittee of the House Committee on Government Operations, the distinguished gentlewoman from New Jersey [Mrs. DWYER], has introduced an identical bill. In doing so, we are following a recommendation which was adopted unanimously by the Committee on Government Operations and reported to the House last August in the committee's 30th report—House Report No. 2533—entitled "Federal-State-Local Relations, Federal Grants-in-Aid."

Personally, as a former State legislator and as a Member of the Congress, I have always taken a very critical attitude toward most proposals for the creation of new commissions and committees. I have always felt that the need for such bodies should be clearly established. In my judgment, however, the need for an advisory body of the type proposed in this bill was adequately documented in the hearings held by our Intergovernmental Relations Subcommittee throughout the country during the fall of 1957. Such a commission would not, of course, be a panacea for eliminating all of the sore spots that arise out of the division of powers in our Federal system. It would, however, be a modest but constructive step in the right direction.

The proposed commission would not duplicate the work already performed by the Commission on Intergovernmental Relations—known also as the Kestnbaum Commission—which was established by action of the Congress in 1953 and which issued its final report in June 1955. That body devoted its energies principally to a much-needed basic reappraisal of our Federal form of Government in the light of its origin and development. The philosophy and principles of federalism reported by the Kestnbaum Commission were found by our subcommittee to be generally valid and widely accepted.

Building on the foundation laid by the Kestnbaum Commission studies and the work of our subcommittee, I believe it is desirable that we now concentrate on the practical and continuing problem of seeking to improve the operation of our Federal system, and particularly the design and consistency of the innumerable Federal grants. For example, with grant proposals suggested from various and sundry sources, originating in many different executive agencies and committees of the Congress, it is almost inevitable that features are adopted in individual programs which tend to weaken the grant structure as a whole.

It is the committee's thought that the Commission proposed, whose role would be purely advisory, could serve as a central point for reviewing the characteristics of grant programs and proposals for their overall effects on the States and the Federal system. It might be noted in this connection that features such as provision for judicial review of Federal administrative decisions and the degree of equalization contained in grant formulas vary considerably between grant programs, at times with questionable justification. With reference to equalization formulas, the increasing use of State per capita personal income as an element in grant formulas points up the need for an authoritative examination of the soundness of this measure for achieving the various program objectives.

The most important function of the Commission, in my judgment, would be that of bringing together Federal, State, and local officials on a continuing basis for discussion of the problems which concern and affect all levels of government. Just as it is an impediment in international affairs, so too the lack of effective communication often contributes to misunderstandings in our domestic relations and sometimes even promotes hostility between levels of Government.

It is my hope that by periodically bringing together Federal, State, and local officials, representing both the executive and legislative branches, the Commission would provide a favorable atmosphere for promoting mutual understanding and would help to produce a smoother functioning of our Federal system.

In drafting this bill, I had hoped to provide for an equal sharing of the Commission's expenses by the Federal Government and the States as a group. I feel that this is a direction in which we eventually must move if the States are to demonstrate financial responsibility with respect to intergovernmental activities and realize their full potential in our Federal system. The bill Mrs. DWYER and I have introduced does not contain such a financing provision only because serious questions have been raised as to the feasibility and practicability of obtaining State financial participation at the present time. I am hopeful that the committee to which this bill is assigned may be able to work out a suitable arrangement along these lines in the course of hearings on the bill. In any event, I am convinced that the proposed Advisory Commission can be a valuable asset and should be established even if full Federal support is required. The Commission's operating budget should be very modest under the bill as it is drawn.

The possibilities for facilitating better intergovernmental relations from the city hall to our Nation's Capitol are inherent in this bill. I hope they will not be neglected and that the Members of this House will carefully consider this legislation. For the convenience of the Members, I am inserting at the end of my remarks a copy of the proposed legislation.

A BILL TO ESTABLISH AN ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SECTION 1. There is hereby established a permanent bipartisan Commission to be known as the Advisory Commission on Intergovernmental Relations, hereinafter referred to as the "Commission."

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest cooperation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance of its duties, will:

(1) Bring together representatives of the Federal, State, and local governments for the consideration of common problems;

(2) Provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;

(3) Give critical attention to the conditions and controls involved in the administration of Federal grant programs;

(4) Make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;

(5) Encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation, and

(6) Recommend, within the framework of the Constitution, the most desirable allocation of governmental functions and responsibilities among the several levels of government.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of 24 members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be members of the House;

(4) Four appointed by the President from a panel of at least six Governors submitted by the Governors' Conference;

(5) Three appointed by the President from a panel of at least five members of State legislative bodies submitted by the Board of Managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least six mayors submitted jointly by the American Municipal Association and the United States Conference of Mayors.

(7) One appointed by the President from a panel of at least two elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of sub-

section (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), and (6) of subsection (a), not more than two shall be from any one political party; of each class of members enumerated in paragraphs (5) and (6) of subsection (a), not more than one shall be from any one State; at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under 500,000 population.

(c) The term of office of each member of the Commission shall be 2 years, but members shall be eligible for reappointment.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The President shall convene the Commission within 90 days following enactment of this Act at such time and place as he may designate for the Commission's initial meeting. The President, or his designee, shall serve as the Commission's temporary Chairman pending the election of a permanent Chairman.

(b) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs 4, 5, and 6 of Section 3(a), each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least one name more than the number of vacancies.

(d) Where any member ceases to serve in the official position from which originally appointed under section 3(a), his place on the Commission shall be deemed to be vacant.

(e) Twelve members of the Commission shall constitute a quorum, two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) To engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act.

(2) To consider, on its own initiative, ways and means for fostering better relations between the levels of government.

(3) To submit an annual report to the President and the Congress on or before January 31st of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of Government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of and remove a Staff Director without regard to the civil service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil service laws and the Classification Act of 1949, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of and remove such other personnel as he deems necessary

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals.

(e) Except as otherwise provided in this Act, persons in the employ of the Commission under subsections (c) and (d)(1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267),

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103),

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842).

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel expenses, including subsistence (or, in the alternative, a per diem in lieu of subsistence not to exceed the rate prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842), the Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Mrs. DWYER. Mr. Speaker, will the gentleman yield?

Mr. FOUNTAIN. I yield to the gentlewoman from New Jersey.

Mrs. DWYER. Mr. Speaker, it is a pleasure to join with the chairman of the Subcommittee on Intergovernmental Relations, the distinguished gentleman from North Carolina [Mr. FOUNTAIN] in sponsoring legislation to implement one of the most important recommendations made by the subcommittee last year after its extensive study of the functioning of the major Federal grant-in-aid programs.

The creation of a permanent Advisory Commission on Intergovernmental Relations would help bring order, understanding, careful planning, and more effective control into the complex world of Federal-State-local relations.

During the nearly 2 years in which I participated in the subcommittee study, I was frequently surprised and concerned at the absence of these characteristics in many of the operations of our Federal system.

Let me illustrate briefly, Mr. Speaker:

State and local officials often had no specific information as to how proposed Federal aid programs could be expected to affect their States or localities.

No systematic means are available whereby Congress or the executive branch, should new programs be considered or older programs be amended, can study the question in the perspective of the whole grant system or can readily obtain current information as to the needs and views of States and municipalities.

Similarly, no systematic provision has been made for periodic review of grant programs, to determine their accomplishments and the extent of the unmet needs, or to consider whether or not the programs should be continued.

Despite the increasing complexity of our society and its economic and political systems, there is no existing machinery whereby improved relations between the several levels of government can be fostered and encouraged. I should add that the subcommittee found wide support for some such form of continuing examination of the Federal system.

There is insufficient data available indicating the relative fiscal effort being made by States and localities in areas of present or proposed Federal grant programs—data that is extremely important in formulating or reviewing Federal-aid programs.

Throughout the period since Federal-aid programs were first developed, there has been a wide variation in program practices and standards—variations that are sometimes illogical and difficult to justify.

The proposed Advisory Commission, Mr. Speaker, can contribute greatly to overcoming these shortcomings.

Such a Commission would provide a central clearinghouse for information about all aspects of intergovernmental relations. It would be a forum for discussion of specific problems and particular programs. On a continuing basis, it would give specialized attention to intergovernmental problems, promote greater cooperation among Federal, State and local units of government in approaching the solution of such problems, and in general would provide a systematic means for encouraging better relations between these several levels of government.

More specifically, the Advisory Commission would be authorized by the bill to study and investigate particular intergovernmental problems. It would provide technical assistance and make reports to the President and the Congress. It would recommend, within the framework of the Constitution, the desirable allocation of government responsibilities in solving particular intergovernmental problems. It would review existing grant programs, estimate their

achievements and suggest future changes. It would be a source of data and information of all kinds relevant to an understanding of the operations of our Federal system.

Perhaps most important, Mr. Speaker, the Advisory Commission on Intergovernmental Relations would be composed of active, responsible officials of government at all levels. This fact would encourage more meaningful discussions and provide a more realistic basis for promoting better relations between the Federal, State, county and local governments. As a forum for critical analysis of existing programs and their administration, the Commission would serve a real need. And by encouraging discussion and consideration at an early stage of potential future problems, the Commission would provide a means of ensuring more orderly and informed and coordinated handling of intergovernmental problems at the proper time.

The subcommittee's extensive experience, Mr. Speaker, convinces me that the Advisory Commission we propose today would constitute a constructive force in protecting and strengthening the Federal system of Government to which we all subscribe.

Mr. FOUNTAIN. I thank the gentlewoman from New Jersey. She has contributed much help to the committee which I have the honor to chairman. She has traveled throughout the country with us in getting information which has resulted in the introduction of this legislation.

INTERPOSITION: THE NEGLECTED WEAPON

Mr. WILLIAMS. Mr. Speaker, on April 23 I was granted permission to extend my remarks in the Appendix of the RECORD and to include extraneous matter, which appears on page A3365 of the RECORD of April 23. However, through inadvertence on the part of the printer, the following portion was omitted:

In view of the successful northern use of interposition, and the successful and effective employment of interposition in the South, the Governors of the Southern States should immediately utilize the resolutions, declarations, and acts of interposition made available to them by the legislatures, or the people, of their respective States.

Certainly the legislatures, or the people, of the various States that passed resolutions of interposition did not do so for the purpose of allowing them to remain unused as meaningless gestures in this fundamental struggle to maintain the balance between Federal and State power.

Interposition is indeed the neglected weapon, not to be used to defy Federal power, but to contain that power within its proper constitutional limits, so that our State sovereignties may be preserved as the best guarantee of our constitutional freedoms in this great Republic.

Mr. Speaker, I ask unanimous consent to extend my remarks and to include the entire article.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

(The article follows:)

INTERPOSITION: THE NEGLECTED WEAPON

(By Drew L. Smith, member of the Louisiana Bar, New Orleans)

(In view of the successful northern use of interposition, and the successful and effective employment of interposition in the South, the Governors of the Southern States should immediately utilize the resolutions, declarations, and acts of interposition made available to them by the legislatures, or the people, of their respective States. Certainly the legislatures, or the people, of the various States that passed resolutions of interposition did not do so for the purpose of allowing them to remain unused as meaningless gestures in this fundamental struggle to maintain the balance between Federal and State power. Interposition is indeed the neglected weapon, not to be used to defy Federal power, but to contain that power within its proper constitutional limits, so that our State sovereignties may be preserved as the best guarantee of our constitutional freedoms in this great Republic.)

As a result of the U.S. Supreme Court decision of May 17, 1954, invalidating segregation in the public schools of the Nation, the Southern States, with approximately three-fourths of the Negroes in this country, have been thrown into such turmoil as they have not known since the dark days of Reconstruction.

Once again the power of the Federal Government is being employed to coerce the South into accepting racial integration in all public institutions.

Since the enunciation of the above decision the South has determinedly sought to find a legal solution to contain the race problem within the bounds of segregation, so arduously developed over the generations.

This is being done in order that the white and Negro people of this region may continue to live together on a peaceful basis, and in order that the racial integrity of the two races may be perpetuated for the general welfare of all concerned.

Indeed, it is also being done not just for these purposes alone, but to preserve the principles of States rights and constitutional government for all people everywhere in this Nation.

INTERPOSITION

In her search for a means to accomplish this there suddenly appeared on the horizon the word "interposition." Editors and publishers throughout the South, and some in the North, thoroughly explained in many editorials how individual States, among them some Northern States, in many instances, had successfully interposed the State's power to protect the people of the State from an unconstitutional act of any branch of the Federal Government.

One of the best examples of interposition came from the North, and we may refer with profit to what happened in the State of Wisconsin concerning fugitive slaves.

Under the Federal Fugitive Slave Act of September 18, 1850, U.S. marshals were empowered to arrest fugitive slaves in any of the States of the Union and return them to their former masters. Sherman Booth, a Wisconsin editor, was charged under this act with unlawfully aiding a fugitive slave from Missouri to escape from the lawful custody of a U.S. marshal. Booth applied for a writ of habeas corpus to the Supreme Court of Wisconsin,[1] alleging in his application that the Fugitive Slave Act under which he was arrested and imprisoned was unconstitutional and void.

[1] *In re Booth* (3 Wis. 1).

The language of the Court in declaring the act unconstitutional, and the freeing of Booth from custody, is such a forceful presentation of States rights and so appropriate and timely to the segregation problem in the South today, that it is quoted from extensively, as follows:

"Justice SMITH. I would gladly escape from deciding upon a question so grave as to whether the act of Congress is unconstitutional and void, but I believe the last hope of free, representative and responsible government rests upon the State sovereignties, and fidelity of State officers to their double allegiance to the State and Federal Government. To yield acquiescence in, and support to, every power constitutionally exercised by the Federal Government, is the sworn duty of every State officer, but it is equally his duty to interpose a resistance to the extent of his power, to every assumption of power on the part of the Federal Government, which is not expressly granted or necessarily implied in the Federal Constitution.

"Nor can I yield to the doctrine early broached, but as early repudiated, that any one department of the Government is constituted the final and exclusive judge of its own delegated powers. No such tribunal has been created by the fundamental law.

"The judicial department of the Federal Government is the creature by compact of the States, as sovereignties, and their respective people. That department can exercise no power not delegated to it. All power not delegated, and not prohibited to the States, the States have expressly reserved to themselves and to the people. To admit that the Federal judiciary is the sole and exclusive judge of its own powers and the extent of the authority delegated, is virtually to admit that the same unlimited power may be exercised by every other department of the General Government, both legislative and executive, because each is independent of, and coordinate with the other. Neither has any power but such as the States and their respective people have delegated and all power not delegated remains with the States and the people thereof. The power of the Federal Government depends solely upon what the States have granted.

"I solemnly believe that the last hope of free representative and Federal Government rests with the States. Increase of influence and patronage on the part of the Federal Government, naturally leads to consolidation, consolidation to despotism and ultimate anarchy, dissolution and all its attendant evils. Without the States there can be no Union, the abrogation of State soverignty is not a dissolution of the Union but an abrogation of its elements.

"The Constitution not only confers powers upon the Federal Government but it guarantees rights to the States and to the citizens. The States derive not one single attribute of power or sovereignty from the Constitution of the United States. They were preexisting sovereignties. The Federal Government is one of the delegated powers, the State government is one of inherent or reserved powers; the former competent to act only within the sphere prescribed by the Constitution, the latter exercising all the functions of sovereignty not delegated or relinquished by that instrument. A judicial determination without the constitutional sphere would be no judgment or decree."

Following the above decision Booth was again charged and convicted in the U.S. District Court in 1855, and once again was freed by the Wisconsin Supreme Court. Later in the year the U.S. Supreme Court issued a writ of error which the Wisconsin Supreme Court ignored, even refusing to

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IN THE SENATE OF THE UNITED STATES

MAY 21, 1959

Mr. MUSKIE (for himself, Mr. HUMPHREY, Mr. ERVIN, Mr. CASE of New Jersey, Mr. MCCARTHY, Mr. HARTKE, Mr. COOPER, Mr. LANGER, Mr. NEUBERGER, Mr. ENGLE, Mr. MOSS, Mr. MANSFIELD, Mr. JAVITS, Mr. DOUGLAS, Mr. JORDAN, Mr. PROXMIRE, Mr. BYRD of West Virginia, Mr. RANDOLPH, Mr. MCGEE, Mr. WILLIAMS of New Jersey, Mr. MURRAY, Mr. PROUTY, Mrs. SMITH, and Mr. KEFAUVER) introduced the following bill; which was read twice and referred to the Committee on Government Operations

A BILL

To establish an Advisory Commission on Intergovernmental Relations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, herinafter referred to as the "Commission".

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest co-

operation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance of its duties, will—

(1) bring together representatives of the Federal, State, and local governments for the consideration of common problems;

(2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;

(3) give critical attention to the conditions and controls involved in the administration of Federal grant programs;

(4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;

(5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation, and

(6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions and responsibilities among the several levels of government.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of twenty-four members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be Members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;

(4) Four appointed by the President from a panel of at least six Governors submitted by the Governors' conference;

(5) Three appointed by the President from a panel of at least five members of State legislative bodies submitted by the board of managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least six mayors submitted jointly by the American

Municipal Association and the United States Conference of Mayors;

(7) One appointed by the President from a panel of at least two elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), and (6) of subsection (a), not more than two shall be from any one political party; of each class of members enumerated in paragraphs (5) and (6) of subsection (a), not more than one shall be from any one State; at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) The term of office of each member of the Commission shall be two years, but members shall be eligible for reappointment.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The President shall convene the Commission within ninety days following enactment of this Act at such time and place as he may designate for the Commission's initial meeting. The President, or his designee, shall

serve as the Commission's temporary Chairman pending the election of a permanent Chairman.

(b) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs 4, 5, and 6 of section 3 (a), each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least one name more than the number of vacancies.

(d) Where any member ceases to serve in the official position from which originally appointed under section 3 (a), his place on the Commission shall be deemed to be vacant.

(e) Twelve members of the Commission shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act;

(2) to consider, on its own initiative, ways and

means for fostering better relations between the levels of government;

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of, and remove a staff director without re-

gard to the civil service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil service laws and the Classification Act of 1949, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of, and remove such other personnel as he deems necessary

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals.

(e) Except as otherwise provided in this Act, persons in the employ of the Commission under subsections (c) and (d) (1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267),

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103),

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842).

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel expenses, including subsistence (or, in the alternative, a per diem in lieu of subsistence not to exceed the rate prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842), the Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for

travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

86TH CONGRESS
1ST SESSION

S. 2026

A BILL

To establish an Advisory Commission on Intergovernmental Relations.

By Mr. MUSKIE, Mr. HUMPHREY, Mr. ERVIN, Mr. CASE of New Jersey, Mr. MCCARTHY, Mr. HARTKE, Mr. COOPER, Mr. LANGER, Mr. NEUBERGER, Mr. ENGLE, Mr. MOSS, Mr. MANSFIELD, Mr. JAVITS, Mr. DOUGLAS, Mr. JORDAN, Mr. PROXMIRE, Mr. BYRD of West Virginia, Mr. RANDOLPH, Mr. MCGEE, Mr. WILLIAMS of New Jersey, Mr. MURRAY, Mr. PROUTY, Mrs. SMITH, and Mr. KEFAUVER

MAY 21, 1959
Read twice and referred to the Committee on Government Operations

By Mr. PROXMIRE (for himself, Mr. DOUGLAS, Mr. CLARK, Mr. HUMPHREY, Mr. HENNINGS, Mr. MORSE, Mr. MCNAMARA, Mr. LAUSCHE, Mr. CARROLL, and Mr. YOUNG of Ohio):

S. 2037. A bill to amend the Internal Revenue Code of 1954 to provide graduated rates of percentage depletion for oil and gas wells; to the Committee on Finance.

(See the remarks of Mr. PROXMIRE when he introduced the above bill, which appear under a separate heading.)

By Mr. PROXMIRE (for himself, Mr. DOUGLAS, Mr. CLARK, and Mr. MCCARTHY):

S. 2038. A bill to amend the Internal Revenue Code of 1954 to provide for withholding of tax at source on interest and dividends; to the Committee on Finance.

(See the remarks of Mr. PROXMIRE when he introduced the above bill, which appear under a separate heading.)

By Mr. CLARK (for himself, Mr. DOUGLAS, Mr. PROXMIRE, and Mr. MCCARTHY):

S. 2039. A bill to amend the Internal Revenue Code of 1954 to provide for additional information on certain returns; to the Committee on Finance.

(See the remarks of Mr. CLARK when he introduced the above bill, which appear under a separate heading.)

By Mr. CLARK (for himself, Mr. DOUGLAS, Mr. PROXMIRE, Mr. MCCARTHY, and Mr. MUSKIE):

S. 2040. A bill to amend the Internal Revenue Code of 1954 to prohibit the deduction of certain expenditures as trade or business expenses; to the Committee on Finance.

(See the remarks of Mr. CLARK when he introduced the above bill, which appear under a separate heading.)

RESOLUTION

Mr. JAVITS submitted a resolution (S. Res. 123) prescribing rules for the standing, select, or special committees and subcommittees of the Senate, which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when submitted by Mr. JAVITS, which appears under a separate heading.)

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

Mr. MUSKIE. Mr. President, one of the unique contributions which America has made to the art of government is the Federal system. It served, in the first instance, in the Constitutional Convention, as a practical compromise between those who believed in a strong central government and those who believed in a loose federation of autonomous States. It has served since that time as a practical means for governing a varied population spread out over a large land area. It is based on the premise that strong local self-government is essential in a democratic society. At the same time, it has enabled us to deal with the emerging problems of an increasingly complex industrial and urban society as we have realistically adjusted to the functions of each of the three levels of government to the nature and scope of the problems.

I happen to believe that a well-balanced Federal system is essential to broad-based participation by our citizens in the processes of government; and that such participation is a condition to the preservation of our democratic institutions. However, such a balance cannot remain static. The 19th century balance of functions as between the three levels of government would not work today. And tomorrow's balance will depend upon the problems with which we will find it necessary to deal.

Moreover, the three levels of government are not separate compartments insulated from each other. The problems with which each level is concerned, the services which each renders, are all part of our national economic, social, and political fabric. There are areas of exclusive jurisdiction by one level of government. There are areas of parallel activities. There are areas of cooperative effort.

The growth of our population, its increasing concentration in urban areas, the increasing complexity of our economy and our society as a result of the industrial revolution, have inevitably resulted in the growth of government itself. The resulting regulatory activities and governmental services have developed within the framework of the Federal system and have accrued to various levels of government, in accordance with the pressures of varying times and circumstances.

The division of responsibilities thus gradually established has been the subject of scrutiny and controversy for the past half century. There are, of course, strongly held differences of opinion as to whether certain functions are assigned to the proper level of government. Notwithstanding these differences of opinion, and however they may be resolved, we face the fact that the Federal system is performing today's governmental chores and that it is not doing so in all instances as effectively and efficiently as it might. As I have said, this has been a subject of considerable study for some time. One such study was made by the Commission on Intergovernmental Relations, also known as the Kestnbaum Commission, which was established by the Congress in 1953 and which issued its final report in June 1955. That study was concerned chiefly with an evaluation of the philosophy and principles of federalism.

Another recent study, which is still in progress, is being conducted by the Joint Federal-State Action Committee which was organized pursuant to a recommendation by the President made to the Governors' conference on June 24, 1957. The express purpose of the Committee, made up of Governors and Federal officials, is to designate grant-aided functions which States are ready and willing to assume and to determine revenue adjustments needed to enable States to assume such functions.

A third study, conducted by the Intergovernmental Relations Subcommittee of the House Committee on Government Operations, under the chairmanship of Congressman L. H. FOUNTAIN, of North Carolina, has been giving particular attention to the report of the Kestnbaum Commission, giving special emphasis to the Federal grant-in-aid programs.

That subcommittee transmitted its excellent report to the House on August 8, 1958. The report concluded that it is now desirable to concentrate on the practical and continuing problem of seeking to improve the operation of our Federal system, and particularly the design and consistency of the innumerable Federal grants.

To provide an instrument for this purpose, I am today introducing, on behalf of myself and Senators HUMPHREY, ERVIN, CASE of New Jersey, MCCARTHY, HARTKE, and COOPER, a bill to establish an Advisory Commission on Intergovernmental Relations. The proposed Commission would not duplicate the work of either the Kestnbaum Commission or the Joint Federal-State Action Committee. Rather, it would serve as a central clearinghouse for information on all aspects of intergovernmental relations; it would serve as a forum for discussion of specific problems and particular programs; it would give specialized attention, on a continuing basis, to particular intergovernmental problems with a view to promoting greater cooperation among the various levels of government and providing a systematic means for encouraging better relations among them. It would provide technical assistance and make recommendations as to the desirable allocation of government responsibilities and solving particular intergovernmental problems, with particular reference to emerging problems. It would undertake to review existing grant programs with a view to evaluation of their achievements and suggesting the directions in which they should move.

This bill is identical to H.R. 6904, which was introduced in the House by Representative FOUNTAIN and to a companion bill, H.R. 6905, which was introduced by Representative FLORENCE P. DWYER, the ranking minority member on the Fountain subcommittee.

The purpose of the bill, and the function of the proposed Commission, might be illustrated by brief reference to some of the specific problems which were pinpointed by the Fountain subcommittee in its report:

First. Because grant proposals have emerged from various and sundry sources, almost inevitably features have been adopted in individual programs which tend to weaken the grant structure as a whole.

Second. Features such as provision for judicial reivew of Federal administrative decisions and the degree of equalization contained in grant formulas vary considerably between grant programs.

Third. Increasingly, State per capita personal income is used as an element in grant formulas, and there appears to be a need for a reexamination of the soundness of such a criterion in terms of achieving program objectives.

Fourth. State and local officials ought to have specific information as to how proposed Federal aid programs could be expected to affect their States or localities.

Fifth. As consideration is given to new programs or the amendment of old programs, there is a need for some means of studying such proposals in the perspective of the whole grant system and of obtaining current information as to

the needs and views of States and municipalities.

Sixth. There is a need for periodic review of grant programs in order to determine their accomplishments and the extent of unmet needs or to consider whether or not the programs should be continued.

Seventh. There is insufficient data available indicating the relative fiscal effort being made by States and localities in areas of present or proposed Federal grant programs.

Eighth. There is a wide variation in program practices and standards.

I would like to take this opportunity to commend the outstanding report of the Fountain subcommittee. My interest in the subject originates with my experiences as Governor of Maine and my firm conviction that effective and efficient government requires that we work constantly in the job of improving relationships between the three levels of government.

Mr. President, I introduce the bill for appropriate reference and ask unanimous consent that the bill may be printed in the RECORD for the convenience of my colleagues, and that it be held at the desk for 1 week, for the purpose of giving other Senators an opportunity to cosponsor it if they so desire.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, and will lie on the desk as requested by the Senator from Maine.

The bill (S. 2026) to establish an Advisory Commission on Intergovernmental Relations, introduced by Mr. MUSKIE (for himself and other Senators), was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, hereinafter referred to as the "Commission".

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest cooperation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance of its duties, will—

(1) bring together representatives of the Federal, State, and local governments for the consideration of common problems;

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(6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions and responsibilities among the several levels of government.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of twenty-four members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be Members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;

(4) Four appointed by the President from a panel of at least six Governors submitted by the Governors' conference;

(5) Three appointed by the President from a panel of at least five members of State legislative bodies submitted by the board of managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least six mayors submitted jointly by the American Municipal Association and the United States Conference of Mayors;

(7) One appointed by the President from a panel of at least two elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), and (6) of subsection (a), not more than two shall be from any one political party; of each class of members enumerated in paragraphs (5) and (6) of subsection (a), not more than one shall be from any one State; at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) The term of office of each member of the Commission shall be two years, but members shall be eligible for reappointment.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The President shall convene the Commission within ninety days following enactment of this Act at such time and place as he may designate for the Commission's initial meeting. The President, or his designee, shall serve as the Commission's temporary Chairman pending the election of a permanent Chairman.

(b) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs 4, 5, and 6 of section 3(a), each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least one name more than the number of vacancies.

(d) Where any member ceases to serve in the official position from which originally appointed under section 3(a), his place on the Commission shall be deemed to be vacant.

(e) Twelve members of the Commission shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act;

(2) to consider, on its own initiative, ways and means for fostering better relations between the levels of government;

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of, and remove a staff director without regard to the civil service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil service laws and the Classification Act of 1949, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of, and remove such other personnel as he deems necessary,

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals.

(e) Except as otherwise provided in this Act, persons in the employ of the Commission under subsections (c) and (d)(1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267),

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103),

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842).

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that

received in their regular public employment, but shall be allowed necessary travel expenses, including subsistence (or, in the alternative, a per diem in lieu of subsistence not to exceed the rate prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842), the Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Mr. CASE of New Jersey. Mr. President, I am indeed pleased to join the distinguished junior Senator from Maine [Mr. MUSKIE] and other Senators on both sides of the aisle in sponsoring a bill to establish a permanent Advisory Commission on Intergovernmental Relations. Identical bills have been introduced in the House of Representatives by Representative L. H. FOUNTAIN, chairman of the Intergovernmental Relations Subcommittee of the House Government Operations Committee, and Representative FLORENCE P. DWYER, the ranking minority member on the subcommittee.

Incidentally, Representative DWYER is the occupant of the seat which I held for a number of years in the House, and which, after me, was held by my colleague, the distinguished junior Senator from New Jersey [Mr. WILLIAMS].

For many years the need for continuing attention to the problems of intergovernmental relationships has been widely recognized. Under our Federal system the interrelation of Federal, State, and local governmental units has presented, throughout our history, problems of great magnitude. The rapid growth of grants-in-aid and other cooperative programs in recent decades has only served to increase the complexity of these problems.

In an effort to evaluate and improve the numerous activities pertaining to intergovernmental relations, a number of excellent studies have been made in the past on the subject, notably by the first Hoover Commission and the well-known Commission on Intergovernmental Relations. More recently, the House Committee on Government Operations completed an intensive 3-year survey throughout the country drawing together information and suggestions from officials at all levels of government.

As a result of these studies, both the Hoover Commission and the House Committee on Government Operations have recommended the establishment of a continuing agency or commission on Federal-State relations with primary responsibility for study, information, and guidance in this field.

The bill which I am pleased to cosponsor today, as well as the identical bills already introduced in the House, is a direct outgrowth of this recommendation.

In my opinion, the establishment of a permanent Advisory Commission on Intergovernmental Relations would be a significant step forward in the improvement of our Federal system. Our Federal system cannot function properly if the States and their subdivisions lose their will and capacity to cope with problems traditionally within their purview. By finding better and more efficient methods of administering and controlling cooperative programs between the various levels of Government, the proposed Commission would do much to preserve the health of our States and to insure the continued vitality of our Federal system.

PER CAPITA DISTRIBUTION OF CERTAIN INDIAN FUNDS

Mr. NEUBERGER. Mr. President, I introduce a bill providing for the per capita distribution of funds arising from a judgment in favor of the Confederated Tribe of Siletz Indians in the State of Oregon, and I ask that it be appropriately referred.

In 1959 Congress appropriated in a supplemental appropriation bill a sum of $416,240.85, which represented the recovery made by the Siletz Indians before the Indian Claims Commission for inadequate compensation paid them for lands taken under an 1892 agreement with the United States.

Congress enacted a statute in 1954 providing for the termination of Federal supervision and control over certain tribes in Oregon, including the Confederated Tribe of Siletz Indians. Section 3 of the 1954 act prescribed that a final roll would be prepared containing the names of all tribal members living on the date of the act. That roll was used for the purpose of distributing tribal assets. The bill which I have introduced would provide for the distribution of the judgment fund on the basis of this already prepared tribal roll.

The PRESIDING OFFICER (Mr. MUSKIE in the chair). The bill will be received and appropriately referred.

The bill (S. 2029) to authorize a per capita distribution of funds arising from a judgment in favor of the confederated tribe of Siletz Indians in the State of Oregon, and for other purposes, introduced by Mr. NEUBERGER, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

HUMANE METHODS OF TRAPPING ANIMALS AND BIRDS ON CERTAIN LANDS AND WATERS

Mr. NEUBERGER. Mr. President, I introduce, for appropriate reference, a bill to prohibit the use of inhumane traps for the capture of animals or birds on the lands and waters belonging to, or under the jurisdiction of, the United States of America.

Representative BROOMFIELD, of Michigan, has introduced a companion measure in the other body.

Although trapping no longer plays so significant a role in our economy as it did in the early days of our history, it is, nevertheless, still a substantial industry. It is, therefore, I believe, one of the most unhappy anachronisms of our modern, comfortable civilization that the primitive, cruel, trapping practices of the last century are still in use today.

I have myself seen wild animals exhausted from battling the steel jaws of a relentless leg-hold trap. I have snowshoed over a trap route and seen animals which tried to gnaw off their paws to escape the agony of the traps. Many animals fracture a leg or a bone in these cruel devices. They are held there struggling, often for hours or even days, before being found and killed.

Last year we passed legislation to bring about more humane practices to our slaughterhouses. We found, in considering the humane slaughter bill, that the technology which has given us push-button automobile transmissions and color television can indeed provide us with civilized means for the necessary slaughter of our food animals. The same wonders of modern technology can give us humane methods of trapping.

In the 2 years since my humane trapping bill was first introduced, amateur and professional trappers have carried on extensive testing, and manufacturers have devoted considerable effort to perfecting of traps which capture animals painlessly or kill them instantaneously. Game commissions and departments of conservation in the various States have conducted many days of field tests with several types of humane traps. The Defenders of Furbearers, a nonprofit organization, has rendered a splendid service in distributing these traps for testing and in compiling results of the tests.

The results of these tests, Mr. President, are most encouraging. Not only do the traps capture the animals with less cruelty, they are also less damaging to the valuable pelts which are sought. Consequently, humane societies and trappers alike have been enthusiastic in their support of the new traps.

My bill proposes only that traps used within the jurisdiction of the United States must either capture animals painlessly or kill them instantly, and that the traps must be inspected and emptied at least once a day. The Secretary of the Interior would have authority to conduct necessary tests and establish necessary standards to give specific application to the objectives of the bill. Violations would be punishable by fines up to $500 or prison sentences up to 6 months.

Such legislation would update commercial trapping practices from primitive cruelty to humaneness consistent with American moral standards of the 20th century.

In conclusion, I ask unanimous consent that the text of the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately re-

ferred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2030) to require the use of humane methods of trapping animals and birds on lands and waterways under the jurisdiction of the United States, introduced by Mr. NEUBERGER, was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 41 of title 18 of the United States Code is amended by placing the prefix "(a)" before the present section, and by adding at the end thereof the following new subsection:

"(b)(1) Any person who, upon any land or waters owned by or under the jurisdiction of the United States, places or causes to be placed any trap, snare, net or other device designed to trap or capture any animal or bird in any manner by which the animal or bird is not either captured painlessly or killed instantly, or who, having placed a trap, snare, net or other device, fails to inspect and empty it at least once every twenty-four hours, shall be fined not more than $500 or imprisoned not more than six months, or both.

"(2) The Secretary of the Interior is authorized to conduct such tests and to promulgate such standards, rules, and regulations as he may deem necessary to the execution of this subjection.

"(3) No provision of this subsection shall apply in any case in which its application would be contrary to any treaty obligation of the United States to any Indian in effect on the date of enactment of this section."

SEC. 2. The provisions of this Act shall become effective on January 1, 1960.

COMMISSION ON COUNTRY LIFE

Mr. HUMPHREY. Mr. President, on behalf of the Senator from Ohio [Mr. YOUNG], and myself, I introduce, for appropriate reference, a bill to establish a Commission on Country Life.

We all realize that we live in an age of tremendous technological and social changes. Since World War II there have been few areas of our lives untouched by new and sometimes revolutionary advances. These changes have resulted from the outpouring of money and time and scientific devotion to basic and applied research in the fields of science and medicine; manufacturing, and industrial processes; in almost everything that touches our daily lives. In all of these realms, research established the facts upon which to base plans and experiments and growth.

As our cities have grown in response to industrial growth, the increasing population has pushed out into suburbs. Industry itself has in many cases moved from congested metropolitan areas into the surrounding countryside. The expanding network of superhighways that shrinks distances has played an important role in this dispersal of population and industry.

We must remember that more is concerned here than just the financial or convenience values resulting from this decentralization and change. We are concerned with the impact of these things on people. The urbanization of rural areas within a brief time period confronts us with many new human problems. In our rural areas, both the expansion and the shifting of population affect seriously the local institutions. In some States new ghost towns are appearing. These are communities which now find themselves bypassed because new highways induce the residents, both rural and suburban, to travel to other community centers which have developed to fit the changing needs of the people.

Some changes in the rural picture have resulted in improvements; some have brought about pockets of economic stagnation; and all have had an effect, for good or ill, on the people and their institutions—the business community, the churches, the schools, the recreational opportunities, the health facilities, and local governments. In many cases, the average age level of a rural community's population has changed drastically. In some there are demands for new schools to fill the needs of an expanding school-age population. In others, the need is for the consolidation of existing schools, possibly over a wide area, in order to attain the best academic training with the funds available. Some communities are faced with an aging, low-income population which poses special health, recreation, and institutional problems. Churches are confronted with new problems and responsibilities as populations shift and communities change.

The falling farm prices and reduced farm income experienced by family farmers in these past few years have posed special problems for this group. The bare census statistic that there are 00,000 fewer farms in 1959 than there were in 1952 does not by any means give a picture of what this shift means in terms of people and the kinds of lives they live. It means that more and more farmers, and their boys and girls, have left the land and moved to the cities. When they move from low income farming areas where facilities for individual development have been few, they may be inadequately trained in vocational skills to enable them to meet the challenges of new modes of life in ways that will improve their standard of living. Accelerated programs of vocational training are badly needed by these young people.

Of the 4,600,000 families still remaining on the farm, almost one-third have cash incomes from all sources of less than $1,200 a year. We need farm policies and programs designed to improve the lot of this group as well as improved farm legislation to better the income situation of all commercial family farms. Low farm income is not a symptom of inefficiency; it is an evidence of lack of opportunity.

Some rural communities and their institutions may be able to face up to and solve the evolving problems, but anything that is accomplished is done on a haphazard, catch-as-catch-can basis. Secretary of Agriculture Benson's rural development program, while based on a worthy principle, is a hesitant and severely limited approach to an area where much coordinated research and planning are needed.

Our first move should be to establish the facts regarding these rural communities so that intelligent plans for the future can be made—the best social good must be established as a goal, and steps taken to see that community life develops along lines that have a reasonable chance of reaching that goal.

To do this we must turn to that excellent tool of all science, research. This bill, which Senator YOUNG and I are sponsoring asks for the establishment of a Country Life Commission, an independent group charged with the responsibility of delineating and giving direction to the task of planning a fact-findings study of country life.

This Commission, as proposed in this bill, would consist of 15 members. I would anticipate that these members would be selected because of their broad understanding of every important phase of rural life. Of special significance would be their knowledge of the changes which are affecting the rural institutions which have been the mainsprings of our rural culture. I would envisage that rural sociologists and religous leaders and businessmen would play important roles in planning the scope and direction of this study. Differing sections of the Nation would need to be studied and analyzed. The members of the Country Life Commission would set the guidelines; the actual studies then might well be conducted by the State universities and agricultural colleges.

There is an honorable and historic precedent for such a Country Life Commission. It was 51 years ago that President Theodore Roosevelt established such a Commission. Those who have read the three books which came out of that first country life study testify that the information set forth was of exceedingly great value for many, many years.

Mr. President, we need all the light we can get on the present conditions and possible future trends of rural life if the family farmers of America are going to have the chance to adjust to the changing times and share fairly in the expanding opportunities of our time.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2031) to establish a Commission on Country Life, and for other purposes, introduced by Mr. HUMPHREY (for himself and Mr. YOUNG of Ohio), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

RULES OF PROCEDURE FOR SENATE COMMITTEES

Mr. JAVITS. Mr. President, I submit, for appropriate reference, a resolution to establish uniform rules of procedure for Senate committees including several new rules dealing with their conduct of investigations.

The major new procedural rules called for in my resolution would provide:

First. Every witness shall be informed of the subject matter of the investigation in which he is called to testify by a

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE

(For Department Staff Only)

Issued July 24, 1959
For actions of July 23, 1959
86th-1st, No. 124

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HIGHLIGHTS; See page 7

SENATE

1. WHEAT; FOREIGN AFFAIRS. Received from this Department a proposed bill "to amend the International Wheat Agreement Act of 1949, as amended, to extend the authority contained in that act to implement the 1959 International Wheat Agreement"; to Agriculture and Forestry Committee. p. 12863

2. FEDERAL-STATE RELATIONS. The Government Operations Committee voted to report (but did not actually report): S. 2026, to establish an Advisory Commission on Inter-governmental Relations (with an amendment in the nature of a substitute); ~~and S. 910, to authorize the payment to local governments of sums in lieu of taxes and special assessments with respect to certain Federal real~~ property. p. D653

3. LANDS. The Government Operations Committee reported with amendment S. 747, to provide for the conveyance of lands known as the Des Plaines Public Hunting and Refuge Area to Ill. (S. Rept. 565). p. 12863

4. MINERALS; LEASES. The Interior and Insular Affairs Committee reported with amendment S. 2308, to provide for the validation of the extension of certain oil and gas leases (S. Rept. 574). p. 12932

5. APPROPRIATIONS. Received from the President supplemental appropriation estimates for various agencies (does not include any funds for this Department), (S. Doc. 42). p. 12863

6. TRADE AGREEMENTS. Received a Tariff Commission report on the operation of the trade agreements program for the period July 1957-June 1958. p. 12863

7. SURPLUS PROPERTY. Received from GSA a proposed bill "to amend the Federal Property and Administrative Services Act of 1949, as amended, to promote the utilization of excess property and to simplify the reimbursement procedure for transfers of such property"; to Government Operations Committee. p. 12863

8. FORESTRY. Received from the Interior Department a proposed bill "to amend the Klamath Termination Act"; to Interior and Insular Affairs Committee. p. 12863

9. CLAIMS. Both Houses received from this Department a report on tort claims paid by this Department for the period July 1, 1958 to June 30, 1959. pp. 12859, 12863

10. PERSONNEL. Sen. Byrd, Va., submitted the report of the Joint Committee on Reduction of Nonessential Federal Expenditures on Federal employment and pay for May 1959. pp. 12863-7

11. COMMITTEE STAFFS. Received from the various committees reports showing the names, positions, and salaries of committee staff employees. pp. 12867-77

12. LEGISLATIVE ACCOMPLISHMENTS. Sen. Byrd, W. Va., inserted a tabulation of "substantial legislation passed by the Senate, January 7, 1959, through July 17, 1959," including legislation relating to agriculture. pp. 12879-81

13. CONSERVATION; FORESTRY. Several Senators discussed the provisions of S. 812, to establish a Youth Conservation Corps. In response to a question by Sen. Yarborough, Sen. Randolph stated it was true "that Secretary of Agriculture Benson would like to ask for a $41 million increase in the Forest Service request next year." pp. 12926-7

14. RECLAMATION. S. 281, to authorize Interior to construct a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, was made the unfinished business. p. 12925

15. LEGISLATIVE PROGRAM Sen. Johnson announced the calendar will be called today, July 24. p. 12925

HOUSE

16. INDEPENDENT OFFICES APPROPRIATION BILL, 1960. Received and agreed to the conference report on this bill, H. R. 7040, acted on amendments in disagreement, and insisted on its disagreement to Amendment number 1 which provides for $25,000,000 for financial contributions to States for civil defense (the House figure was

7. WHEAT. Sen. Carlson inserted a statement and a resolution adopted at a meeting (which was attended by officials of this Department) of farmers and businessmen of Rawlins County, Kan., protesting the reduction in wheat acreage allotments for the county. pp. 13011-2

8. INTERGOVERNMENTAL RELATIONS. The Government Operations Committee reported with amendment S. 2026, to provide for the establishment of an Advisory Commission on Intergovernmental Relations (S. Rept. 584). p. 13012

9. FOREIGN AID. Received from the President "a report on Economic Assistance: Programs and Administration."; to Foreign Relations Committee. p. 13011

10. TRANSPORTATION. Sen. Wiley inserted an article by Sen. Smathers, "Blueprint To Save Our Railroads." pp. 13026-7

HOUSE

11. MUTUAL SECURITY. The Appropriations Committee reported without amendment H. R. 8385, the mutual security appropriation bill for 1960 (H. Rept. 712). p. 13125

Received from the President a communication transmitting an amendment to the appropriation estimate for fiscal year 1960 for the Development Loan Fund, previously transmitted in his letter of June 26, 1959. This amendment would provide funds for both fiscal years 1960 and 1961 (H. Doc. 205). p. 13124

Received from the International Cooperation Administration a copy of its reply to the Comptroller General on the GAO report on its "Review of Mutual Security Program Presentation to the Congress for Fiscal Year 1959 Economic Assistance to China, Korea, and Vietnam." p. 13124

12. FOREIGN AFFAIRS. Passed, 230 to 87, as reported H. R. 7072, to provide for U. S. participation in the Inter-American Development Bank. Subsequently passed, in lieu of H. R. 7072, S. 1928, a similar bill, after substituting the House-passed language for that in the Senate bill (pp. 13080-1, 13104-13). Rep. Madden stated that the bill "authorizes the President to accept membership on behalf of the United States in the Inter-American Development Bank; it also authorizes to be appropriated the full amount of the U. S. subscription of $450 million," requires Congressional approval of increased subscription changes in the original agreement, and in general provides a base for economic development in Latin America (p. 13080).

13. DAIRY INDUSTRY. The Select Committee on Small Business submitted an interim report on the small business problem in the dairy industry (H. Rept. 714). p. 13125

14. PURCHASING. The Interstate and Foreign Commerce Committee reported with amendment H. R. 1341, to require passenger-carrying motor vehicles purchased for use by the Federal Government to meet certain safety standards (H. Rept. 715). p. 13125

15. FARM LOANS; BANKING. On July 21 the House Banking and Currency Committee reported without amendment H. R. 8159 (H. Rept. 694). The committee report describes certain provisions of the bill as follows:

"H. R. 8159 is designed primarily to repeal various obsolete provisions of the national banking laws, to clarify and eliminate existing ambiguities, and to add new authority relating to" the operation of national banks.

"Section 24 repeals provisions of title II of the Agricultural Credits Act of 1923, authorizing the establishment of national agricultural credit corporations. Only three such corporations were formed under this act and the last one was liquidated in 1938. Under section 77 of the Banking Act of 1933 no national agricultural credit corporation may now be formed. Therefore, these provisions of law are obsolete."

16. FARM LOANS. As reported H. R. 7629 provides as follows: Permanently extends Sec. 17 of the Bankhead-Jones Farm Tenant Act (which expired June 30, 1959) which provides authority for making and insuring loans solely for the purpose of refinancing outstanding indebtedness of family-sized farmers who cannot meet their current debt terms and who are unable to refinance outstanding deb with other sources on rates and terms which they could reasonably be expected to fulfill, and amends Sec. 17 to allow the Farmers Home Administration to consider the value of all assets as well as all farm debts in determining a farmer's eligibility for the refinancing of such loans.

17. AREA REDEVELOPMENT. Rep. Kee expressed displeasure at the Rules Committee inaction on the amended version of S. 722, the area redevelopment bill and stated that "it is unthinkable ... that the House will adjourn without acting on this vitally important legislation." pp. 13078-9

18. WATERSHEDS. Both Houses received from the Budget Bureau two letters relative to plans for works of improvement relating to the Boggs Creek watershed, Ind.; Gilbert Run watershed, Md.; Marsh Run watershed, Ohio; Martinez Creek watershed, Texas; (all to the Agriculture Committee), Flat Creek watershed, Ark.; Second Creek watershed, Miss., and the Tehuacan Creek watershed, Texas (last three to the Public Works Committee) pursuant to the Watershed Protection and Flood Prevention Act. pp. 13124, 13124-5, 13011

19. COMMITTEE EXPENDITURES. Pursuant to the Legislative Reorganization Act of 1946, the name, profession and salary of each person employed by, and expenditures of, House committees were inserted. pp. 13118-24

20. LEGISLATIVE PROGRAM. The "Daily Digest" states that today (July 28) the House will consider H. R. 8385, the mutual security appropriation bill for 1960. p. D669

BILLS INTRODUCED

21. WHEAT AGREEMENT. S. 2449, by Sen. Ellender (by request), and H. R. 8409, by Rep. Spence, to extend the International Wheat Agreement Act of 1949; to Senate Agriculture and Forestry Committee and House Banking and Currency Committee.

22. SURPLUS PROPERTY. H. R. 8398, by Rep. Monagan, to amend the Federal Property and Administrative Services Act of 1949 to permit the donation of foreign excess property to medical institutions, hospitals, clinics, health centers, schools, colleges, and universities; to Government Operations Committee.

H. R. 8408, by Rep. Rivers, Alaska, to provide for the disposition of surplus personal property to the government of Alaska; to Government Operations Committee.

23. HOGS. H. R. 8394, by Rep. Hogan, to assure orderly marketing of an adequate supply of hogs and pork products; to encourage increased domestic consumption of pork and pork products; to maintain the productive capacity of the hog-farming industry; to avoid the feeding of hogs to less desirable weights; and

Calendar No. 581

86TH CONGRESS, 1st Session | SENATE | REPORT No. 584

ESTABLISHING AN ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

JULY 27, 1959.—Ordered to be printed

Mr. MUSKIE, from the Committee on Government Operations, submitted the following

REPORT

[To accompany S. 2026]

The Committee on Government Operations, to whom was referred the bill (S. 2026) to establish an Advisory Commission on Intergovernmental Relations, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is in the nature of a substitute.

PURPOSE

S. 2026, as amended, is designed to strengthen the ability of our Federal system to meet the problems of an increasingly complex society by promoting greater cooperation, coordination of activities, and understanding among the separate levels of government. It seeks to accomplish this by establishing a 27-member bipartisan permanent Advisory Commission on Intergovernmental Relations, authorized to make a continuing study of intergovernmental problems at Federal, State, and local levels, and required to report to the President and the Congress annually. The Commission would be composed of three officers of the executive branch of the Federal Government; three Senators; three Members of the House of Representatives; four Governors; three members of State legislatures; four mayors; four county officials; and three private citizens.

In carrying out its duties, the Advisory Commission would be expected to (1) bring together representatives of the Federal, State, and local governments for the consideration of common problems; (2) provide a forum for discussing the administration and coordination

of Federal grant and other programs requiring intergovernmental cooperation; (3) give critical attention to the conditions and controls involved in the administration of Federal grant programs; (4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system; (5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation; (6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government; and (7) recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

In addition to making such studies and investigations as are necessary or desirable in the accomplishment of these purposes, the Commission would also be required to (1) consider, on its own initiative, ways and means for fostering better relations between levels of government; (2) submit an annual report to the President and the Congress on or before January 31 of each year; and (3) submit such additional reports to the President, the Congress, and any unit of government as the Commission may deem appropriate.

Of the 27 members of the Advisory Commission, 21 would be appointed by the President of the United States and 3 each would be appointed by the President of the Senate and the Speaker of the House of Representatives from among the membership of the respective Houses of Congress. Of those appointed by the President, three would be officers of the executive branch of the Government and three would be private citizens, all six of whom must have had experience or familiarity with intergovernmental relations; four would be chosen from a panel of at least eight Governors submitted by the Governors' conference; three from a panel of at least six members of State legislative bodies submitted by the board of managers of the Council of State Governments; four from a panel of at least eight mayors submitted jointly by the American Municipal Association and the U.S. conference of mayors; and four from a panel of at least eight elected county officers submitted by the National Association of County Officials. In the case of Governors, State legislators, mayors, and county officials, not more than one may be from any one State; and in the case of mayors, at least two appointees must be from cities under 500,000 population.

ADDITIONAL PROVISIONS OF S. 1026

Members of the Commission would be appointed for a term of 2 years and would be eligible for reappointment, but when any member ceases to serve in the official position from which he was appointed, his place on the Commission would be deemed vacant. All members would be appointed on a bipartisan basis, except the three private citizens whose appointment would be without regard to political affiliation. Vacancies would be filled in the same manner in which the original appointment was made, except that where the number of vacancies is fewer than the number of members specified, in the case

of Governors, State legislators, mayors, and county officers, each panel of names submitted must contain at least two names for each vacancy.

The President would be required to convene the Commission within 90 days following enactment of the act at such time and place as he may designate for the Commission's initial meeting; the President would designate a Chairman and a Vice Chairman from among the members of the Commission; and 14 members would constitute a quorum, but 2 or more members would constitute a quorum for the purpose of conducting hearings.

The Commission, or any subcommittee or members thereof, when authorized by the Commission, may hold such hearings, sit and act at such times and places, and take such testimony in carrying out the provisions of the act as the Commission deems advisable. Each department, agency, or instrumentality of the executive branch, including independent agencies, would be authorized and directed to furnish the Commission, upon request of the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under the act.

The Commission would be authorized to appoint, fix the compensation of, and remove the staff director without regard to civil-service laws and the Classification Act of 1949, such appointment to be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation. Subject to such rules and regulations as may be adopted by the Commission, the Chairman would be authorized, without regard to civil-service laws, the Classification Act of 1949, and political affiliation, to appoint, fix the compensation of, and remove such additional personnel as he deems necessary, and to procure temporary and intermittent services of experts and consultants at rates not to exceed $50 per day. Employees of the Commission may not be paid compensation at a rate in excess of $20,000 per annum. The staff director and the full-time employees of the Commission would be considered Federal employees for all purposes, including the Civil Service Retirement Act, the Federal Employees Group Life Insurance Act of 1954, annual and sick leave, and the Travel Expense Act of 1949.

Members of the Commission would receive a per diem of $50 when engaged in the performance of their official Commission duties, except those members who are Members of Congress, officers of the executive branch of the Government, or full-time salaried officers of city and county governments, who would serve without additional compensation. All members of the Commission would be allowed necessary travel expenses without regard to the Travel Expense Act of 1949 and other applicable statutes governing travel expenses, or, in the alternative, a per diem in lieu of subsistence and mileage not to exceed the rates prescribed in the Travel Expense Act of 1949. All members would also be entitled to reimbursement of other necessary expenses incurred by them in the performance of official Commission duties.

BACKGROUND

The establishment of a commission to study various aspects of Federal-State-local relations has received almost continuous consideration by this committee since 1947, when a Subcommittee on Intergovernmental Relations was established. Following a meeting of

members of congressional committees and Governors, called for the purpose of studying Federal-State tax relations, held in Chicago on September 26–27, 1947, the Senate Committee on Government Operations (then the Committee on Expenditures in the Executive Departments) was designated to conduct a special study of the problems of coordination of Federal and State taxes, with the objective of strengthening the tax structures of local and State governments and compensating them for losses of revenues from former sources of taxation. In its report to the Senate (S. Rept. 1054, 80th Cong.), stress was placed by the committee on the importance of assuring that Federal, State, and local tax systems are adequate to the task assigned to them and on the need for determining whether they fit together into a combined tax system which is equitable, administratively efficient, and economically sound.

Various studies were continued in 1948, and early in 1949, the committee received the report and recommendations of the first Commission on Organization of the Executive Branch of the Government (Hoover Commission) dealing with Federal-State Relations (S. Doc. 81, 81st Cong.). One of the major recommendations was that a continuing agency on Federal-State relations be created, with primary responsibility for study, information, and guidance in that field.

In 1949, the committee considered three Senate measures relative to the establishment of a National Commission on Intergovernmental Relations which would have been required to study and make recommendations with respect to various aspects of intergovernmental relations, including intergovernmental tax immunities. Joint hearings were held by the Subcommittees on Intergovernmental Relations of both the Senate and House Committees on Government Operations, lasting 5 consecutive days, and at which 267 pages of testimony were received and more than 20 witnesses were heard. A committee bill was reported favorably on June 13, 1949 (S. Rept. 488, 81st Cong.), but failed of passage late in the session upon objection on a call of the Senate Calendar.

In 1950, the committee considered S. 3147, which had been drafted by its Subcommittee on Intergovernmental Relations. It was introduced by Senator Humphrey, for himself and 42 other Senators, and was substantially similar to the measure previously reported. This bill was reported favorably on June 22, 1950 (S. Rept. 1856, 81st Cong.), but also failed of passage.

Following consideration of other similar bills in the 82d and 83d Congresses, a temporary Commission on Intergovernmental Relations was created in July 1953 (Public Law 109, 83d Cong.) (Kestnbaum Commission). This Commission made an exhaustive examination of the entire field. In its recommendations, which covered a wide area of Federal-State-local relations, the Commission stressed the importance of strengthening communications and relations between the levels of government.

In 1955, the Subcommittee on Intergovernmental Relations of the House Committee on Government Operations undertook an exhaustive analysis of the Kestnbaum Commission's report with a view to evaluating and implementing its recommendations. Following a 3-year study by that subcommittee, the House Committee on Govern-

ment Operations issued a report (H. Rept. 2533, 85th Cong.), in which it recommended—

> the establishment of a broadly based Advisory Commission on Intergovernmental Relations, drawing its membership from the Congress, the executive branch, Governors, State legislators, mayors, county officials, and private citizens.

JOINT HEARINGS

Joint hearings were held on S. 2026 and two companion House bills, H.R. 6904 and H.R. 6905, by the Intergovernmental Relations Subcommittee of the House Committee on Government Operations and the Senate Committee on Government Operations. At these hearings, held on June 16, 17, 19, and 22, 1959, the committees heard 21 witnesses and received written statements from 45 additional individuals or organizations who were unable to be present.

The witnesses included Members of Congress, Governors, mayors representing the American Municipal Association and the U.S. Conference of Mayors, a spokesman for the National Association of County Officials, and former members of the Commission on Intergovernmental Relations. Testimony or statements favoring this legislation were received from 22 Governors. No Governor was opposed to the Commission's establishment.

State Senator Leslie B. Cutler of Massachusetts presented the committees in joint hearing with a unanimous resolution adopted June 10, 1959, by the Massachusetts Senate memorializing the Congress to enact this legislation for the establishment of an Advisory Commission on Intergovernmental Relations. Similar resolutions have also been adopted by the American Municipal Association, the U.S. Conference of Mayors, and the National Association of County Officials.

Throughout the hearings, much emphasis was placed by the witnesses upon the urgent need for a permanent body which would give continuing attention to major intergovernmental problems and which would act as a center or clearinghouse for the assistance of government officials at all levels in coordinating related activities.

In his testimony, Mr. Meyer Kestnbaum, referring to the work of the Commission on Intergovernmental Relations which he headed, pointed out that the study made by that Commission was only the beginning of a real inquiry into the whole subject. He concluded by stating:

> I should like to go on record as saying that the idea of a commission that will give the President and the Congress the benefit of careful, incisive research and examination of the many problems that face us in this area is sound, and that it can fulfill a very important and useful function.

COMMITTEE ACTION

After a careful review of the testimony, and based upon its own experience covering a period of more than 12 years, the committee found that there is an urgent need for permanent organizational arrangements to assist in improving relations between the various levels of government with a view toward strengthening our Federal system.

The committee found further that, despite the many studies which have been made and the work which has been done by congressional

committees and other groups, both public and private, the basic problems still remain. The related problems of Federal, State, and local governments continue to grow more complex, and there is no place to which government officials at the different levels of government may turn for discussion, exchange of ideas, expert assistance, and advice. Numerous piecemeal attempts have been made to meet these problems, but no notable success appears to have resulted from these efforts.

Accordingly, it is the committee's view that the only feasible approach to these continuing problems is to provide an agency which would (1) bring together representatives of all levels of government for a discussion of their common problems and which would provide a forum for discussion and coordination of various Federal programs requiring intergovernmental cooperation; (2) encourage discussion of emerging public problems which are likely to require intergovernmental cooperation; (3) make continuing studies of the problems and recommend the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government; and (4) recommend methods of coordinating and simplifying tax laws so as to achieve a more orderly and less competitive fiscal relationship between the levels of government.

In considering various means of achieving these objectives, the committee determined that the establishment of a permanent Advisory Commission on Intergovernmental Relations would provide the most practical approach. It was the view of the committee, however, that if such a commission is to be effective, it must be a genuine, intergovernmental body, truly representative of all levels of government, and not an agency dominated or controlled by any one level.

In order to accomplish this objective, the committee deemed it necessary to provide for the widest possible coverage, not only from the standpoint of levels of government, but also with respect to geographic considerations. The committee desires to stress, in this connection, that it does not intend this coverage to mean that representatives of the various levels will act as special pleaders for those levels, or that members of the Commission will regard themselves primarily as representatives of any particular group, level of government, or geographic area for the advancement of a special interest. The arrangement provided for is intended to encourage the assumption of responsibility by the appropriate level or levels of government with respect to any given problem, rather than to urge a Federal solution merely because Federal action appears to be the easiest course.

The committee also desires to point out that in providing for the appointment of Commission members, it has sought to assure the selection of outstanding, dedicated persons, possessing special knowledge and qualifications in the field of intergovernmental relations, who will perform their duties objectively. Thus, provision has been made for the participation of the leading State and local government organizations in the selection of State and local members, since these organizations are well equipped to recommend outstanding individuals from their respective levels of government.

The committee is aware of the fact that a 27-member body may appear to be cumbersome. However, such a number was deemed

necessary in order to provide for and maintain the necessary balance on the Commission. It should be noted that it is the committee's intention that the Commission will establish working committees in various fields, and will retain a staff of qualified experts and consultants in order to assist it in carrying out its duties and responsibilities.

Consideration was given to providing for contributions by the States of a portion of the Commission's operating expenses. Although the committee believes that joint Federal-State financial support is desirable in principle, considerable doubt existed as to the practicability of such an arrangement. Accordingly, in order to avoid handicapping the Commission with difficulties which are apt to arise from a joint arrangement, it was deemed advisable to have the Commission's operating expenses paid wholly from Federal funds. However, the committee is of the opinion that the States should, and will desire to, contribute indirectly to the Commission's support by furnishing staff assistance to the Commission and to its working committees.

COMMITTEE AMENDMENTS

The committee adopted a number of recommendations made by witnesses at the hearings, as well as some which were proposed by the Director of the Bureau of the Budget.

The principal amendments are (1) an elaboration of the declaration of purpose, so as to broaden and clarify the frame of reference and the duties of the Commission (secs. 2 (6) and (7)); (2) enlargement of the membership of the Commission from 24 to 27 members, so as to afford county government greater and more proportionate representation (sec. 3(a)); (3) enlargement of the size of the panels to be submitted to the President by the various levels of government for appointment to membership on the Commission, so as to afford the President greater flexibility in the appointments (sec. 3(a), (4), (5), (6), and (7)); (4) increase in the number of county government representatives from 1 to 4 (sec. 3(a)(7)); and (5) provision for designation of the Chairman and the Vice Chairman of the Commission by the President from among the members of the Commission (sec. 4(b)).

Other amendments which were adopted are technical, perfecting amendments which were made necessary by the amendments set forth above. In view of the considerable number of minor amendments which were adopted, the committee deemed it convenient to report the bill as an amendment in the nature of a substitute.

CONCLUSION

S. 2026, as amended, will establish a permanent agency which, in the judgment of the committee, would be well equipped to serve as a central clearinghouse and coordinating center for the study and solution of the numerous pressing problems arising out of intergovernmental relations. Culminating many years of study by the Senate and House Committees on Government Operations, it is the committee's firm judgment that this action is long overdue. Each year, the related problems of Federal, State, and local governments grow more complex and no adequate or effective steps have been taken to meet these problems in an orderly fashion. It is the committee's belief that affirmative action can no longer be delayed and that the time has

come when the attainment of the objectives of the pending bill are imperative in order to assure a proper functioning of our Federal system.

The committee desires to reemphasize that, if its objectives are to be attained, members of the Commission must be chosen on the basis of their individual experience, competence, and dedication to service to the entire Nation and not to any particular level of government, geographic area, or special interests with which they are associated.

○

Calendar No. 581

86TH CONGRESS
1ST SESSION

S. 2026

[Report No. 584]

IN THE SENATE OF THE UNITED STATES

MAY 21, 1959

Mr. MUSKIE (for himself, Mr. HUMPHREY, Mr. ERVIN, Mr. CASE of New Jersey, Mr. MCCARTHY, Mr. HARTKE, Mr. COOPER, Mr. LANGER, Mr. NEUBERGER, Mr. ENGLE, Mr. MOSS, Mr. MANSFIELD, Mr. JAVITS, Mr. DOUGLAS, Mr. JORDAN, Mr. PROXMIRE, Mr. BYRD of West Virginia, Mr. RANDOLPH, Mr. MCGEE, Mr. WILLIAMS of New Jersey, Mr. MURRAY, Mr. PROUTY, Mrs. SMITH, Mr. KEFAUVER, Mr. SPARKMAN, and Mr. PASTORE) introduced the following bill; which was read twice and referred to the Committee on Government Operations

JULY 27, 1959

Reported by Mr. MUSKIE, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To establish an Advisory Commission on Intergovernmental Relations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

~~ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS~~

~~SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, hereinafter referred to as the "Commission".~~

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest cooperation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance of its duties, will—

(1) bring together representatives of the Federal, State, and local governments for the consideration of common problems;

(2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;

(3) give critical attention to the conditions and controls involved in the administration of Federal grant programs;

(4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;

(5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation, and

(6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions and responsibilities among the several levels of government.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of twenty-four members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be Members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;

(4) Four appointed by the President from a panel of at least six Governors submitted by the Governors' conference;

(5) Three appointed by the President from a panel of at least five members of State legislative bodies submitted

by the board of managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least six mayors submitted jointly by the American Municipal Association and the United States Conference of Mayors;

(7) One appointed by the President from a panel of at least two elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), and (6) of subsection (a), not more than two shall be from any one political party; of each class of members enumerated in paragraphs (5) and (6) of subsection (a), not more than one shall be from any one State; at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) The term of office of each member of the Commission shall be two years, but members shall be eligible for reappointment.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The President shall convene the Commission within ninety days following enactment of this Act at such time and place as he may designate for the Commission's initial meeting. The President, or his designee, shall serve as the Commission's temporary Chairman pending the election of a permanent Chairman.

(b) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs 4, 5, and 6 of section 3(a), each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least one name more than the number of vacancies.

(d) Where any member ceases to serve in the official position from which originally appointed under section 3(a), his place on the Commission shall be deemed to be vacant.

(e) Twelve members of the Commission shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act;

(2) to consider, on its own initiative, ways and means for fostering better relations between the levels of government;

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any Committee of the Congress, and to any unit of government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of, and remove a staff director without regard to the civil service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affilation.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil service laws and the Classification Act of 1949, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of, and remove such other personnel as he deems necessary;

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals.

(e) Except as otherwise provided in this Act, persons

in the employ of the Commission under subsections (c) and (d) (1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267),

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103),

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842).

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel expenses, including subsistence (or, in the alternative, a per diem in lieu of subsistence not to exceed the rate prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel Expense Act of 1949, as amended (5 U.S.C.

~~835-842), the Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission.~~

~~(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.~~

~~AUTHORIZATION OF APPROPRIATIONS~~

~~SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.~~

ADVISORY COMMISSION ON INTERGOVERMENTAL RELATIONS

SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, hereinafter referred to as the "Commission".

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest cooperation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance it its duties, will—

(1) bring together representatives of the Federal, State, and local governments for the consideration of common problems;

(2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;

(3) give critical attention to the conditions and controls involved in the administration of Federal grant programs;

(4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the federal system;

(5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation;

(6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government; and

(7) recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of twenty-seven members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be Members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;

(4) Four appointed by the President from a panel of at least eight governors submitted by the Governors' Conference;

(5) Three appointed by the President from a panel of at least six members of State legislative bodies submitted by the board of managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least eight mayors submitted jointly by the American Municipal Association and the United States Conference of Mayors;

(7) Four appointed by the President from a panel of at least eight elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), (6), and (7) of subsection (a), not more than two shall be from any one political party; of each class of members enumerated in paragraphs (5), (6), and (7) of subsection (a), not more than one shall be from any one

State; at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) The term of office of each member of the Commission shall be two years, but members shall be eligible for reappointment.

ORGANIZATION OF THE COMMISSION

SEC. *4. (a) The President shall convene the Commission within ninety days following enactment of this Act at such time and place as he may designate for the Commission's initial meeting.*

(b) The President shall designate a Chairman and a Vice Chairman from among members of the Commission.

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs 4, 5, 6, and 7 of section 3(a), each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least two names for each vacancy.

(d) Where any member ceases to serve in the official position from which originally appointed under section 3(a), his place on the Commission shall be deemed to be vacant.

(e) Fourteen members of the Commission shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act;

(2) to consider, on its own initiative, ways and means for fostering better relations between the levels of government;

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member of the Commission may administer

oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of, and remove a staff director without regard to the civil-service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil-service laws and the Classification Act of 1949, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of, and remove such other personnel as he deems necessary

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals.

(e) Except as otherwise provided in this Act, persons in the employ of the Commission under subsections (c) and (d)(1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267),

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103),

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842).

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel expenses (or, in the alternative, a per diem in lieu of subsistence and mileage not to exceed the rates prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842), the

Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Calendar No. 581

86TH CONGRESS
1ST SESSION

S. 2026

[Report No. 584]

A BILL

To establish an Advisory Commission on Intergovernmental Relations.

By Mr. MUSKIE, Mr. HUMPHREY, Mr. ERVIN, Mr. CASE of New Jersey, Mr. MCCARTHY, Mr. HARTKE, Mr. COOPER, Mr. LANGER, Mr. NEUBERGER, Mr. ENGLE, Mr. MOSS, Mr. MANSFIELD, Mr. JAVITS, Mr. DOUGLAS, Mr. JORDAN, Mr. PROXMIRE, Mr. BYRD of West Virginia, Mr. RANDOLPH, Mr. MCGEE, Mr. WILLIAMS of New Jersey, Mr. MURRAY, Mr. PROUTY, Mrs. SMITH, Mr. KEFAUVER, Mr. SPARKMAN, and Mr. PASTORE

MAY 21, 1959

Read twice and referred to the Committee on Government Operations

JULY 27, 1959

Reported with an amendment

S. 2026

A BILL.

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE

(For Department Staff Only)

Issued July 31, 1959
For actions of July 30, 1959
86th-1st, No. 129

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HIGHLIGHTS: See page 7.

HOUSE

1. LABOR-HEW APPROPRIATION BILL FOR 1960. Both Houses agreed to the conference report on this bill, H. R. 6769, and acted on amendments which had been reported in disagreement. This bill will now be sent to the President. pp. 13442-4, 13450-2, 13466-75

2. INTERGOVERNMENTAL RELATIONS. The "Daily Digest" states that the Government Operations Committee voted to report, amended, (but did not actually report) H. R. 6904, to establish an Advisory Commission on Intergovernmental Relations (p. D692). The Committee was authorized to file its report until midnight tonight, July 31 (p. 13486).

3. RESEARCH. The Science and Astronautics Committee reported with amendment H. R. 8284, to make various amendments to the National Science Foundation Act (H. Rept. 740). p. 13563

4. BUILDINGS. Received from GSA a report on lease agreements which do not bind the Government for periods in excess of 10 years which were entered into Jan. 2, 1959, through June 30, 1959 (p. 13563).

5. LANDS. The Interior and Insular Affairs Committee reported with amendment H. R. 5412, to amend the Recreation Act of 1926 to provide that lands conveyed under such Act for State park purposes shall not be subject to the 640-acre limitation (H. Rept. 738). p. 13563

6. FOREIGN CURRENCIES. Both Houses agreed to the conference report on H. R. 5674, the military construction bill which includes authority for the use of Public Law 480 foreign currencies. This bill will now be sent to the President. pp. 13441-2, 13449-50, 13475-9

7. LOANS; BANKING. Passed without amendment H. R. 8160, to liberalize in several respects the limitations on borrowing and lending by national banks (see Digest 124 for summary of bill). pp. 13479-80, 13490-4

Passed without amendment H. R. 8159, to amend the national banking laws to clarify or eliminate ambiguities, repeal obsolete provisions (including provisions for national agricultural credit corporations), etc. pp. 13480-90

8. CREDIT UNIONS. Passed without amendment H. R. 8305, to make various amendments to the Federal Credit Union Act, including provisions to increase the maximum maturities of loans from 3 to 5 years, increase signature loan limits from $400 to $1,000, etc. pp. 13479, 13494-511

9. FOREIGN TRADE. Rep. Bailey charged that most of the big newspapers have a "strong bias toward the free-trade policy of the executive branch" and that this attitude is reflected in their news items. Several Representatives discussed this matter. pp. 13522-34

Rep. Curtis, Mo., inserted and discussed tables which, he said, indicate that the foreign aid program is resulting in increased foreign trade. pp. 13547-52

10. PERSONNEL. The Ways and Means Committee voted to report (but did not actually report) H. R. 135, to provide an income tax credit in the case of civil-service annuities received by nonresident alien individuals not engaged in trade or business with the U. S. p. D693

11. PAYROLLING. The Ways and Means Committee voted to report (but did not actually report) H. R. 3151, providing for withholding, for taxes by cities of 75,000 or more population, of Federal salaries. p. D693

12. CASEIN IMPORTS. The Ways and Means Committee voted to report (but did not actually report) H. R. 7456, to extend for 3 years the suspension of duty on imports of casein. p. D693

13. PUBLIC DEBT. Rep. Reuss defended the Ways and Means Committee's policy regarding management of the Federal debt, etc., against criticisms from the Federal Reserve Board, etc. pp. 13544-7

14. HOUSING. Rep. Rains criticized the President's veto of the housing bill. pp. 13514-22

15. LEGISLATIVE PROGRAM. Majority Leader McCormack announced next week's program as follows: Mon., Consent Calendar and suspensions including S. 1512, regarding Federal land banks; H. R. 7740, on acreage history and allotments; H. R. 6861, providing for State contributions to disaster relief; and S. 1289, extending the special milk program. Tues. and until terminated (if a rule is reported), the labor-management bill. p. 13466

5. FOREIGN AFFAIRS. Both Houses received from the National Advisory Council on International Monetary and Financial Problems a report on its activities for July 1 to Dec. 31, 1958. pp. 13568, 13719

6. VETERANS' BENEFITS. Sens. Young, O., and Yarborough urged the enactment of legislation to provide education benefits to veterans who have served in the Armed Forces since the Korean conflict. pp. 13600-2

7. FORESTRY; NATURAL RESOURCES. Sen. Neuberger inserted a letter from the Citizens Committee on Natural Resources urging the enactment of legislation for the preservation of wilderness areas. pp. 13609-10

Sen. Murray inserted an article by the chief of staff of the Menninger Foundation discussing the need for recreational activities, and stating that "wilderness and near wilderness areas are essential to the mental health of both children and adults." pp. 13626-8

8. TEXTILES. Sen. Pastore inserted a Department of Commerce press release discussing the first meeting of the interdepartmental Textile Industry Advisory Committee studying problems in the textile industry. pp. 13618-9

9. MINERALS. S. 1855, to amend the Mineral Leasing Act of 1920 so as to increase certain acreage limitations with respect to Alaska, was made the unfinished business. p. 13653

10. ECONOMIC CONDITIONS. Sen. Javits discussed the "economic and budgetary realities confronting the Congress," including comments on inflation, Federal expenditures, foreign aid, and the importance of food in our foreign aid program. pp. 13657-69

Sen. Williams, Del., discussed our "serious economic and financial crisis," and urged a reduction in Federal expenditures and the control of inflation. pp. 13675-80

11. ELECTRIFICATION. Sen. Morse opposed proposed legislation to authorize Federal subsidies to private power companies operating up-stream storage dams, and inserted a statement by Rep. Ullman, and his own statement before the S. Interstate and Foreign Commerce Committee, opposing such legislation. pp. 13682-4

HOUSE

12. MILK. Passed, under suspension of the rules, S. 1289, to increase and extend the special milk program (pp. 13710-2). Earlier in the day, at the request of Rep. Pelly, S. 1289 was passed over without prejudice (p. 13690). See Digest 124 for the provisions of this bill.

13. DISASTER RELIEF. Passed, under suspension of the rules, H. R. 6861, to require contributions by State governments to the cost of feed or seed furnished to farmers, ranchers, or stockmen in disaster areas. pp. 13709-10

14. PEANUTS. Passed as reported H. R. 4938, to continue the exemption of green peanuts from acreage allotments and marketing quotas. p. 13690

15. COTTON. Debated, under suspension of the rules, H. R. 7740, to provide for the preservation of acreage history and the reallocation of unused cotton acreage allotments. In the light of an absence of a quorum and under unanimous agreement, the vote on this bill was passed over until Wed., Aug. 5. pp. 13702-9

16. FARM LOANS. Passed with amendment S. 1512, to amend the Federal Farm Loan Act so as to transfer responsibility for making appraisals from the Farm Credit Administration to the Federal land banks. The House previously passed with amendment H. R. 6353, a similar bill, and then substituted the provisions of H. R. 6353 for the language in S. 1512, and H. R. 6353 was laid on the table. The amendment, which was offered by Rep. Murray, was to make the retirement deductions 7% for certain employees who would become employees of the banks. pp. 13690-7

Passed without amendment H. R. 7629, to amend Sec. 17 of the Bankhead-Jones Farm Tenant Act so as to continue indefinitely the authority of FHA to make real estate loans for refinancing farm debts. p. 13698

17. LANDS; LEASING; MINERALS. Passed without amendment S. 1110, to allow this Department to convey interests in submarginal lands to Clemson College, S.C. H. R. 4697, a similar bill, was laid on the table. This bill will now be sent to the President. p. 13690

Passed as reported H. R. 6940, to amend the Mineral Leasing Act of 1920 so as to increase certain acreage limitations with respect to Alaska. p. 13699

Passed as reported H. R. 6939, to amend the act providing for the leasing of coal lands in Alaska so as to increase the acreage limitation in such act. p. 13699-700

Passed without amendment H. R. 5849, to modify conditions under which Alaska may select lands made subject to lease, permit, license, or contract. p. 13701

The Subcommittee on Departmental Oversight and Consumer Relations of the Agriculture Committee voted to report to the full committee two bills: (1) H. R. 5442, to authorize this Department to convey certain lands in Iowa to the city of Keosauqua; and (2) H. R. 6669, with amendment, to provide that the Louisiana State University may use certain real property heretofore conveyed to it for general educational purposes. p. D701

18. RECLAMATION. Conferees were appointed on S. 994, to authorize the Interior Department to construct, operate, and maintain the Spokane Valley project, Wash. and Idaho, under Federal reclamation laws. Senate conferees have been appointed. p. 13687

19. COCONUT OIL. Passed over, at the request of Rep. Weaver, H. J. Res. 441, to authorize the disposition of approximately 265 million pounds of coconut oil from the national stockpile. p. 13690

20. DEFENSE DEPARTMENT APPROPRIATION BILL FOR 1960. Received the conference report on this bill, H. R. 7454 (H. Rept. 743). pp. 13685-7, 13719

21. INTERGOVERNMENTAL RELATIONS. The Government Operations Committee reported (on July 31, during adjournment) with amendments H. R. 6904, to establish an advisory Commission on Intergovernmental Relations (H. Rept. 742). p. 13719

22. FOREIGN TRADE. A report submitted on July 29, on the Second Meeting of the Canada-United States Interparliamentary Group (U. S. Members of Congress and Canadian M. P.'s), includes a discussion on trade problems (relating mainly to minerals) between the two countries and a section on boundary water problems including the St. Lawrence Seaway (H. Rept. 730).

23. TEXTILES; FOREIGN TRADE. The Ways and Means Committee voted to report (but did not actually report) two bills with amendment: (1) H. R. 2886, to suspend for 3 years the import duties on certain classifications of spun silk yarn; and (2) H. R. 6249, to liberalize the tariff laws for works of art and other exhibition material. p. D702

86TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } { No. 742

ESTABLISHING AN ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

JULY 31, 1959.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. DAWSON, from the Committee on Government Operations, submitted the following

REPORT

[To accompany H.R. 6904]

The Committee on Government Operations, to whom was referred the bill (H.R. 6904) to establish an Advisory Commission on Intergovernmental Relations, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Page 2, line 24, strike "cooperation, and" and insert "cooperation;".

Page 3, line 3, strike "functions and" and insert "functions,".

Page 3, line 3, after the word "responsibilities" insert ", and revenues".

Page 3, line 4, strike "government." and insert "government; and".

Page 3, after line 4, add the following new paragraph:

> (7) recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

Page 3, line 7, strike "twenty-four" and insert "twenty-five".

Page 3, line 18, strike "six" and insert "eight".

Page 3, line 20, strike "five" and insert "six".

Page 3, line 24, strike "six" and insert "eight".

Page 4, line 3, strike "One" and insert "Two".

Page 4, line 4, strike "two" and insert "four".

Page 4, line 13, after the word "party" and before the semicolon add "and of the members enumerated in paragraph (7) of subsection (a), not more than one shall be from any one political party".

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Page 4, line 14, strike "(5) and" and insert "(5).".
Page 4, line 14, after "(6)" insert ", and (7)".
Page 4, beginning in line 25, strike out "The President, or his designee, shall" and all that follows down through line 2 on page 5.
Page 5, lines 3 and 4, strike out "The Commission shall elect a Chairman and a Vice Chairman from among its members." and insert "The President shall designate a Chairman and a Vice Chairman from among members of the Commission."
Page 5, line 9, strike "and".
Page 5, line 9, after "6" insert ", and 7".
Page 5, lines 11 and 12, strike out "one name more than the number of vacancies." and insert "two names for each vacancy."
Page 5, line 16, strike "Twelve" and insert "Thirteen".
Page 6, line 15, strike "of" and insert "authorized by".
Page 8, lines 12 and 13, strike out "expenses, including subsistence" and insert "expenses".
Page 8, line 14, after "subsistence" insert "and mileage".
Page 8, line 14, strike "rate" and insert "rates".

PURPOSE

H.R. 6904, as amended, would establish a permanent bipartisan Advisory Commission on Intergovernmental Relations which, on a continuing basis, will (1) bring together representatives of the Federal, State, and local governments for the consideration of common problems; (2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation; (3) give critical attention to the conditions and controls involved in the administration of Federal grant programs; (4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system; (5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation; (6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government; and (7) recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

The underlying purpose of the Commission is to strengthen the ability of our Federal system to meet the problems of an increasingly complex society by promoting greater cooperation, understanding, and coordination of activities between the separate levels of government.

The membership of the Commission would be drawn, for the most part, from among active and responsible public officials at all levels of government. Thus, the Commission would benefit from both the firsthand knowledge of its members of the problems under consideration and their ability to communicate the findings and recommendations of the Commission to their respective levels of government.

It is intended that the Commission will provide guidance to the President and the Congress for the development of sound Federal policies with respect to State and local government. The Advisory

Commission, however, would in no way substitute for or interfere with either the responsibility of the President for the coordination of Federal intergovernmental programs or with the legislative responsibilities of the Congress. It is intended that the Commission will also provide guidance for the development of sound intergovernmental relations at the State and local levels.

The committee wishes to emphasize its intention that the Commission will serve to strengthen State and local government so as to preserve the values of our Federal system. It should be an objective of the Commission to facilitate discussion of intergovernmental problems and to identify governmental responsibilities as they arise, and to make appropriate suggestions and recommendations to the proper level of government if recognized responsibilities are not being met at such level.

BACKGROUND

H.R. 6904 implements a major recommendation of the 30th report of the Committee on Government Operations which was unanimously adopted in August 1958.

In that report (H. Rept. 2533, 85th Cong., 2d sess.) the committee recommended "the establishment of a broadly based Advisory Commission on Intergovernmental Relations, drawing its membership from the Congress, the executive branch, Governors, State legislators, mayors, county officials, and private citizens." The committee envisaged "that such a large body would meet infrequently, but would maintain working committees to deal with special problems and would be assisted by a permanent professional staff."

The recommendation for an Advisory Commission is the result of 3 years of intensive study of Federal-State-local relations by the committee's Intergovernmental Relations Subcommittee. In the course of its investigations the subcommittee held numerous public hearings, including field hearings throughout the country during the fall of 1957, and made questionnaire surveys and special studies.[1] The subcommittee's investigations pointed strongly to the need for a permanent Advisory Commission to build on the foundation laid by the Commission on Intergovernmental Relations (the Kestnbaum Commission, whose 1955 report to the President and the Congress was referred to and thoroughly studied by the subcommittee), and the need to strengthen communication and relations between the

[1] The printed hearings and reports are as follows:
Staff Report on Replies from Federal Agencies to Questionnaire on Intergovernmental Relations (August 1956).
Replies from State and Local Governments to Questionnaire on Intergovernmental Relations, Sixth Report by the Committee on Government Operations (H. Rept. 575), June 1957.
Federal-State-Local Relations. Hearings before a subcommittee of the Committee on Government Operations, House of Representatives (July 29, 30, and 31, 1957).
Federal-State-Local Relations, State and Local Officials. Hearings before a subcommittee of the Committee on Government Operations, House of Representatives:
Part 1: Boston, Mass., and New York, N.Y. (Sept. 30, Oct. 1, 2, 3, 4, and 7, 1957).
Part 2: Chicago, Ill., and Kansas City, Mo. (Oct. 16, 17, 18, 21, and 22, 1957).
Part 3: Denver, Colo., and San Francisco, Calif. (Oct. 24, 25, 28, and 29, 1957).
Part 4: New Orleans, La., and Raleigh, N.C. (Nov. 18 and 19, and Dec. 10 and 11, 1957).
Federal-State-Local Relations, Dade County (Fla.) Metropolitan Government. Hearings before a subcommittee of the Committee on Government Operations, House of Representatives (Nov. 21 and 22, 1957).
Federal-State-Local Relations, Joint Federal-State Action Committee. Hearings before a subcommittee of the Committee on Government Operations, House of Representatives (Feb. 18, 1958).
Federal-State-Local Relations, Nongovernmental Organizations and Individuals. Hearings before a subcommittee of the Committee on Government Operations, House of Representatives (Feb. 25 and 25, 1958).
Federal-State-Local Relations, Federal Departments and Agencies. Hearings before a subcommittee of the Committee on Government Operations, House of Representatives, Mar. 26, 27; Apr. 2, 30: May 7, 8; and June 19, 1958.
Federal-State-Local Relations, Federal Grants-in-Aid, 30th Report by the Committee on Government Operations (H. Rept. 2533), August 1958.

levels of government. The Kestnbaum Commission's 2-year study of intergovernmental relations was the first official undertaking of its kind since the Consitutional Convention in 1787.

Identical bills to establish an Advisory Commission on Intergovernmental Relations were introduced in the House on May 6, 1959, by Representative L. H. Fountain (H.R. 6904) and Representative Florence P. Dwyer (H.R. 6905). A companion Senate bill, S. 2026, was introduced by Senator Edmund S. Muskie for himself and 25 cosponsors.

JOINT HEARINGS

Joint hearings were held on the identical bills, H.R. 6904, H.R. 6905, and S. 2026, by the Intergovernmental Relations Subcommittee and the Senate Committee on Government Operations. In these joint hearings, held on June 16, 17, 19, and 22, 1959, the committees heard 21 witnesses and received written statements from 45 additional individuals or organizations who were unable to be present.

The witnesses included Members of Congress, Governors, mayors representing the two national municipal organizations, a spokesman for the National Association of County Officials, and members of the former Commission on Intergovernmental Relations.

Testimony or statements favoring this legislation were received from 22 Governors. In addition, the committee received communications from 16 Governors who were unable to attend the hearings and who expressed no opinion on the bills. No Governor was opposed to the Commission's establishment.

State Senator Leslie B. Cutler of Massachusetts presented the committees in joint hearing with a unanimous resolution adopted June 10, 1959, by the Massachusetts Senate memoralizing the Congress to enact this legislation for the establishment of an Advisory Commission on Intergovernmental Relations. Similar resolutions have also been adopted by the American Municipal Association, the U.S. Conference of Mayors, and the National Association of County Officials.

NEED FOR COMMISSION

The need for a permanent Commission to give continuing attention to intergovernmental problems has been widely recognized.

Ten years ago the first Hoover Commission recommended the establishment of a Commission on Intergovernmental Relations.

Last year this committee, after hearings by its subcommittee throughout the United States, made a similar recommendation. In emphasizing the need for a permanent commission the committee stated in its report:

> Occasional studies and ad hoc committees, however useful, are not an effective substitute for the continuous review of intergovernmental programs and problems from the standpoint of the Federal system as a whole.[2]

Last month a joint hearing of the Intergovernmental Relations Subcommittee and the Senate Committee on Government Operations adduced unanimous testimony in support of a permanent commission. This support had no geographical limitations, no political differences, no divisiveness as between levels of government.

[2] H. Rept. 2533, 85th Cong., 2d sess., p. 39.

The advocacy of distinguished witnesses was universal and reflected many areas of interest and experience; it also, with unconcerted foresight, anticipated numerous arguments which might be made against the proposal by those who are not as close to the problems involved. This report, therefore, incorporates excerpts at some length from their testimony.

EXCERPTS FROM TESTIMONY

Mr. Meyer Kestnbaum, in speaking of the work of the Commission on Intergovernmental Relations which he headed, stated:

> I am sure I need not remind you that the Commission, in making its report, had in mind the fact that its study was only the beginning of a real inquiry into the whole subject.
>
> * * * * *
>
> I should like to go on record as saying that the idea of a commission that will give the President and the Congress the benefit of careful, incisive research and examination of the many problems that face us in this area, is sound, and that it can fulfill a very important and useful function.

Former Congressman Brooks Hays, who served as a member of the Kestnbaum Commission, addressed himself to what is frequently the first reaction when a commission is proposed. Mr. Hays said:

> I see no escape from what you might call the proliferation of agencies. Now I do not mean that we can go on just multiplying commissions and agencies, but as we find some new need, and establish a commission, we also find the atrophy of commissions that were born out of another necessity that can be abandoned.
>
> * * * * *
>
> But to refuse to meet a new need, with imagination, such as underlies this legislation, is simply not to give proper weight to the dynamic character of this Federal system.
>
> I see no escape from it. In other words, the alternative of doing nothing because you do not want to yield is to assume that we have already achieved the ideal. But we need changes, and inaction is unthinkable with America's genius for going forward in other fields.
>
> One trouble, Mr. Chairman, is that we have lagged in working this whole political enterprise, as I like to call it. People in America have falsely assumed that the system, being what Gladstone said, largely will operate itself.
>
> And we have given so much of our intellectual energies in America to other fields—the fields of business, of education, and of religious institutionalism, if I might come into another field that has demanded some of my attention in recent years, as the chairman knows.
>
> If we could relate these energies to this problem of getting people to recognize their mutual interests and to be less rigid in their loyalties to local, State, and Federal Government so they see the higher level through imaginative eyes, if we could pour some of their righteousness into the political enterprise as distinguished from the valid other loyalties of com-

merce, and so on, I think we would be meeting the demands of the 20th century, because man is a politieal creature and he must not let there be a lag in this field.

Representative Harold C. Ostertag, who was also a member of the Kestnbaum Commission, in voicing his support countered the arguments whieh might be raised against ereating a new eommission in this way:

> Of course, with any of these proposals we must face the reaction which ean be expeeted to the ereation of another eommission. But when a good cause is to be served, as in this ease, I think this is an obstaele whieh ean be overeome by logical and sound explanations.
>
> Certainly, there is a continuing need for maehinery in our governmental strueture to provide the guidanee and the balanee essential to strengthening our system of Government. The ereation of a eontinuing Commission on Intergovernmental Relations, in my judgment, makes possible sueh maehinery and provides the means for the necessary follow-through whieh is so important to the very objeetives we seek.

Further explaining his support for an advisory eommission, Representative Ostertag said:

> Now, on the former Commission on Intergovernmental Relations, the so-ealled Kestnbaum Commission, we concluded exhaustive studies in a great many areas of intergovernmental relations. There was not agreement on all of our findings but one thing on which we did agree was that there was a definite need for eontinuous study and observation of intergovernmental relations in this eountry. Some felt that this eould best be done from an offiee in the exeeutive. Others felt that a broader independent eommission would be more suitable for the purpose. So, while there may be various vehieles for carrying out this work, I feel that the bills which are being eonsidered by this eommittee are a step in the right direction.
>
> The aims of the Commission whieh is proposed are very sound and worthy of attainment. I note that this is to be an advisory eommission, but I would hope that this committee would consider more measures for translating the adviee and reeommendations of sueh an advisory eommission into eonerete results.

The committee heard from still another former member of the Kestnbaum Commission, former Gov. Sam H. Jones of Louisiana, who wrote:

> In my opinion there is no validity to the arguments that "this is just another commission" and "it has no power and can do nothing." The wisest thing about our Federal system is that eaeh level of government is, within limitations, autonomous within its own sphere. It is, therefore, within the nature of our system that no one level can eompletely dominate the other two levels. This legal situation makes an advisory eommission the only method by whieh we can taekle

and ultimately solve the accumulated and constantly increasing problems of our three-level system.

And I might add here that, whilst the controversy between the advocates of States rights and those who lean toward national control is very real and highly publicized, there is another controversy that is just as determined. I refer to the battle that is now raging between the advocates of State control and those who sponsor wider latitude for municipal and county governments. This latter controversy is, in many respects, more difficult than the former because local governments are creatures of the State; while the States are not the creatures of the National Government. It is much more important, therefore, that there should be brought about some forum for the discussion of State-local problems than for the discussion of national-State problems.

The proposed Advisory Commission on Intergovernmental Relations would do both.

Gov. Herschel C. Loveless of Iowa explained the need for an advisory commission in this way when he appeared before the joint committees:

> The refinement of the science of intergovernmental relations, I am firmly convinced, is an important key to the future success of Government under our Federal system. To compete with totalitarian nations, who command certain efficiencies, however repugnant their philosophy may be to us, we too must develop new methods of obtaining economy and efficiency in our democratic system. Studious efforts to improve coordination and eliminate duplications between the levels of government, both in regulatory functions and in meeting human needs, will, I am convinced, do wonders toward obtaining these results.
>
> Of course, today, as heretofore in our democracy, our problem is a dual one. We do not propose to sacrifice any of our basic liberties under the Federal system in our zeal to make government work more efficiently. But, as I have stated earlier, I am convinced that the true prerogatives of State and local government can best be preserved by constant study and reevaluation of the appropriate roles of each level of government in the complicated pattern of intergovernmental relations.
>
> Additional studies performed by temporary commissions and ad hoc committees cannot do the job. The face of government changes, too rapidly. A permanent, impartial agency, equipped with the necessary resources, is required for this important work. I submit to you that the proposed Advisory Commission on Intergovernmental Relations is the logical answer.

Gov. G. Mennen Williams, who also testified in person in the joint hearings, said:

> The Advisory Commission would make a significant contribution, I think, if it were to review the areas of coordinate Federal and State responsibility with a view toward raising

those unresolved questions of jurisdiction and responsibility that should be considered by both the Federal and State Governments. I am not suggesting any specific directions that either the Federal or State Governments should take but rather recommending that this important series of problems be given the kind of study that an Advisory Commission could provide.

* * * * *

There is no question in my mind, however, that the whole range of Federal activity should be analyzed constantly with a view toward relieving it of those responsibilities that can be done better or just as well by the States. I suggest this because I feel that the Federal Government should be strengthened in its capacity to do those things which it alone can do. Specifically, I think this encompasses the crucial tasks of foreign relations, national security, and economic stability. * * * I have indicated what appear to me to be the major issues confronting the American Federal-State system. Study of these issues is the basic reason why I feel the proposed Advisory Commission on Intergovernmental Relations is desirable and should be established. Therefore, I urge favorable committee consideration for H.R. 6904 and recommend its quick enactment by the Congress.

Gov. William G. Stratton of Illinois wrote the committee that—

In my opinion, the creation of such a permanent commission is timely and necessary.

The Federal system of government which is so precious to all of us depends in essence on cooperation and correlated activities of the various State governments and the Federal Government. With the explosive growth of population and urbanization we are now experiencing, it becomes imperative that the relationships among our governments must be harmonious.

A permanent commission could serve as a clearinghouse for the various studies and investigations which are being made of the functions and responsibilities of our governments. In my opinion, such a commission would not overlap any of the work now being done, including that of the Joint Federal-State Action Committee in which the Governors' Conference plays an important role.

Gov. Luther H. Hodges of North Carolina expressed his view of the Advisory Commission in this manner:

From the beginning of my service as Governor of North Carolina, I have had many occasions to deal with vital questions affecting Federal-State relations. It is my present privilege to serve as a member of the Joint Federal-State Action Committee (an unofficial group of State and Federal officials), of which the U.S. Secretary of the Treasury and the Governor of Idaho are currently the cochairmen. In my capacity as Governor and in my capacity as a member of this Joint Federal-State Action Committee, I have become thoroughly convinced that there is a strong need for a con-

tinuing and officially recognized advisory agency to give concentrated attention to Federal-State problems.

Special studies in this area such as was done by the Commission on Intergovernmental Relations are helpful and of course the special attention to the overall problem which has been given by the Intergovernmental Relations Subcommittee of the House Committee on Government Operations has made a great contribution to our understanding in this area. But what is needed is a continuing advisory agency which can take up specific selected problems, work out specific solutions, and provide adequate followup to see that proposed action on specific problems is given adequate consideration by the Federal Government and by the States.

Gov. Foster Furcolo of Massachusetts made the point that—

> It is important, moreover, that the present Federal grant-in-aid formulas be surveyed to determine whether they are equitable. It is desirable, too, to have some source of clear and accurate information as to the Federal grant program so that State officials of both the executive and legislative branches of government will have a clear understanding of Federal programs. Such an understanding is vital in the formulation of policy and the establishment and administration of programs within the State.

Senator Clifford P. Case of New Jersey took note in his statement of the effects of the growth of government that has taken place on all levels over the past few decades:

> The interrelation of Federal, State, and local governmental units brought about by this growth has in turn created problems of its own. Our Federal system has had to adjust in a manner undreamed of by our Founding Fathers. Since much of the expansion in government has been on an ad hoc basis, it is perhaps only natural that inefficiency and confusion have frequently accompanied this growth. But it is imperative, for the future, that efforts be made now to insure a more fruitful cooperation between the various levels of government. The proliferation of grant-in-aid programs alone demands continuing study and evaluation. And there are numerous areas of jurisdictional conflict which should receive more attention, particularly in relation to current growth trends.
>
> I am convinced that the establishment of a permanent Advisory Commission on Intergovernmental Relations would do much in this direction. It is a practical idea and one that could result in concrete suggestions for the improvement of our Federal system. By bringing together officials and experts from all levels of government, the proposed Commission can foster a spirit of cooperation and understanding which is so essential to a proper functioning of a Federal system, and which in turn could pave the way for significant improvements in the administration of cooperative programs.
>
> More than ever, we need a group of this nature to study the continuing impact of a growing society on a system of

government that was originally established for a rural nation of only 3 million people. Thanks to the flexibility of our Constitution, we have been able to adjust to the enormous changes which have taken place since that time. Today, however, we live in an age in which the consequences of change are much more immediate and significant than they were 170 years ago. If we value the basic outlines of our Federal system, with its balance of National and State jurisdictions, we must pay more constant attention to the problems associated with intergovernmental relations.

I believe that the proposed Commission would prove a valuable and necessary service for the betterment of our system of government.

Representative Chester W. Bowles of Connecticut pointed out the urgency of improving communication between the levels of government:

> The basic problem, as both the Kestnbaum Commission and this subcommittee's report have pointed out, is one of communications. It seems impossible in this day and age that a coordinated, effective means of sharing information and ideas between the Federal, State, and local governments does not exist, but unfortunately this is the case.
>
> As a former Governor of Connecticut, who has faced the confusion and inconsistencies of the present situation from a State capitol, I feel very strongly that the proposed Advisory Commission on Intergovernmental Relations is a constructive, forward step which is long overdue, and I sincerely hope that favorable action on this proposal can be taken soon.

Senator Jacob K. Javits of New York emphasized the pressing need for systematic and continuous attention to Federal-State relations:

> S. 2026, which would establish an Advisory Commission on Intergovernmental Relations, deals with a problem which has perennially plagued our Federal system, and which has become more pervasive and more acute with the increasing role of the Federal Government in our society. It is high time that the entire problem of relations between the States and the Federal Government be given systematic and sustained attention on a broad basis, since piecemeal attack on the problems of conflict of jurisdiction and administration between them has proved inadequate.

Senator Estes Kefauver of Tennessee pointed out the value of the Commission to the committees of Congress:

> In its broadest sense, S. 2026 would, I believe, help tremendously in bringing about a better understanding of mutual problems among officials of local, State, and Federal Governments.
>
> Such an intergovernmental advisory commission as S. 2026 proposes would also be of great value to the various committees of Congress in providing a broad perspective of the total picture of the programs which now originate in many

committees and are directed to many different jurisdictions. Coordination of tax resources is still another advantage that can be brought about through the functions of the proposed agency.

Representative Silvio O. Conte of Massachusetts noted that the Commission would be of particular value to State legislatures:

> As a former State legislator, having served for 8 years in the Massachusetts State Senate, I am particularly aware of the desirability of bringing the legislative branch of State government into closer contact with Federal officials in connection with intergovernmental matters. I note with satisfaction that the Advisory Commission would facilitate this objective by including State legislative representation in its membership. Our State legislatures are desperately in need of more information on the many Federal activities that require State and local cooperation. Moreover, I believe their interest in these intergovernmental activities should be stimulated well in advance of the point at which the Congress takes legislative action which, for all practical purposes, necessitates State and local financial and administrative participation. A permanent Advisory Commission should provide an excellent educational medium for developing greater State legislative interest in this field. Such a development, I believe, would be extremely helpful to the legislative committees of the Congress.

Senator Winston L. Prouty of Vermont stressed that the Commission would not interfere with the prerogatives of State and local government:

> I cosponsored the Senate bill under consideration only after satisfying myself that such a commission as the bill visualizes offers no threat of interference with State and local units of government. The people of Vermont have always placed a high value on their rights and prerogatives under local units of government. They like to make their own plans and decisions and they have not usually gone out of their way to welcome what they consider outside interference, even though they may know it is intended to be helpful.
>
> I am convinced that the proposed Advisory Commission on Intergovernmental Relations will not constitute interference. On the contrary, it should help protect the legitimate interests and prerogatives of State and local governmental units, should help eliminate overlapping of operations, provide useful information, and increase efficiency.
>
> In addition, such a commission should prove most useful to the Federal Government through assisting Congress in assessing local opinion on intergovernmental problems, through smoothing out relationships between Federal agencies and departments and local governments, and in keeping open the channels of communication among the various levels of government.

Representative Byron L. Johnson of Colorado pointed out several areas where intergovernmental policies tend to conflict:

> Let me speak first to the powers and duties of the proposed Commission. As the members of the committee know very well, there are a number of areas where Federal, State, and local interests operate less than harmoniously. First, there is, for example, the question of the right of each level of government to tax property owned by another unit and level of government.
>
> Second, there is the question as to whether interest on the debt obligations of one level of government can properly be taxed by another as part of income taxes.
>
> Third, there is the question as to whether the payments in lieu of taxes now being made by some Federal agency is adequate and properly related to the impact of such Federal property upon local taxing jurisdictions.
>
> * * * * *
>
> Fourth, there is the question of the reasonableness of the shared receipts and revenues on certain public lands. * * *
>
> * * * * *
>
> Fifth, there are questions as to whether or not certain taxes act as trade barriers, contrary to the constitutional intent.
>
> Sixth, there is a very sensitive question of the rights of several States to tax the same property or income, because the Federal courts have taken a very permissive attitude toward multiple and overlapping State taxation. Congress and the Federal Government could do much under the Constitution to accomplish substantial uniformity in State laws with great benefit to American businessmen in simplifying their tax compliance. Such improvements need not materially reduce State revenues but should certainly simplify tax administration and enforcement.
>
> One of the hidden areas in public finance is our lack of knowledge of the cost of compliance upon taxpayers in filling out the thousands of forms that they are required to fill out for the thousands of taxing jurisdictions with which the larger corporations must deal. Many taxpayers are plagued by the inconsistencies and complexities of the various tax jurisdictions having power to tax them.
>
> Now, these questions will never be resolved if we wait for neighboring States to work out suitable answers. They might be resolved by having a Federal commission conducting continuing research, issuing publications, and holding conferences as background for appropriate changes in law at each level.
>
> Finally, there is a question of grants-in-aid, which is specifically provided for by H.R. 6904.

Mayor Frank P. Zeidler of Milwaukee, representing the U.S. Conference of Mayors, described the need for an advisory commission in these terms:

> Bills H.R. 6904 and S. 2026, I believe, would remedy this lack of formal assembly to gather information from all levels

of government in order to adjust the difficulties which may exist between these levels. It would also remedy the lack of sense of direction which the Federal, State, and local governments have as to where each one is going with respect to each other. It will provide an avenue for channeling the best technical information and most comprehensive knowledge that is now possessed by experts in the United States in the science of government that this knowledge may be able to improve the inner workings of government in the United States.

Mayor Gordon S. Clinton of Seattle, testifying for the American Municipal Association, stated that—

> because the Commission proposal recognizes the need for equitable, responsible, and knowledgeable representation on the part of all levels of government * * * we feel that the conclusions reached as a result of its deliberations will enjoy considerable acceptance on the part of all levels of government * *
>
> * * * * *
>
> I am certain that we can effect better intergovernmental relationships, that we can encourage and promote realinement of functional responsibilities at various levels of government, that we can do some within the broad framework of government laid down by our Constitution. And, in so doing, be secure in the knowledge that our democratic process and individual freedoms need never be violated in the course of our work.

Mr. Saul I. Stern, chairman of the Montgomery County chapter of the Maryland Municipal League, expressed the thinking of a public official familiar with the problems of small urban communities:

> I believe that those of you who have been in contact with State, county, and municipal officials can agree that the vast majority of these elective and appointive officials are very dedicated and devoted public servants. I believe a great many of the problems, a great part of the inaction, arises from the fact that these particular officials are confused, and they have no course or direction because they are truly bewildered by the complexities of our population and physical growth. And of course all of us who are public officials are staggered by the spiraling costs of government. We wonder where the dollars are going to come from to provide the increased demands of service which our population is insisting upon. And I think that if this Commission is set up—and I am most hopeful that it will be—and if it sits down to determine the roles, functions, duties, and services that the various levels of government should perform in light of these constantly changing conditions imposed by growth, we will have made a real step forward to the solution of the financial as well as a good many of our other problems.

> I think we need to have representative of the Federal Government, and representatives of the State, county, and municipal governments sitting down and discussing these problems together. We need, however, first of all to determine what our common problems are. * * *
>
> * * * * *
>
> If our Federal system is to be workable, if it is to be vital, and if it is to be continued on a strong and firm basis, then we must have this sort of study. But we must have survival of all systems of government. It is my firm belief that as long as people participate in government at all levels we will have a very strong, vibrant, and a really meaningful democracy. And I am most hopeful that the Commission on Intergovernmental Relations will be set up on a continuing basis. I think it should be established now and should be placed on a permanent basis.

NATURE OF COMMISSION

The committee views the Advisory Commission as a political innovation—a new type of organization designed especially to cope with the changing problems encountered in our Federal form of government. It will be a genuine interlevel body, not an agency dominated or controlled by any one level of government.

In providing for the appointment of Commission members, the committee has sought to assure the selection of persons possessing special knowledge and qualifications in this field. Thus, the committee favors the participation of the designated organizations in the selection of State and local members since these organizations are well equipped to recommend outstanding individuals from their respective levels of government. However, the committee also favors the appointment of members from panels as proposed in H.R. 6904, as amended, because it believes the President is in the best position to weigh such considerations as the geographic areas and the types of communities represented so as to produce a well-balanced advisory body.

Similarly, the committee believes that the President is best situated to designate the Chairman and Vice Chairman, who should possess outstanding qualifications for these assignments and a reputation for objectivity which will make them generally acceptable to all levels of government.

The committee studied two other proposals for the appointment of Commission members. It was proposed, on the one hand, that the State and local organizations directly appoint representatives to the Commission, and, on the other hand, that the selection of members be left completely to the discretion of the President. Neither of these proposals is believed as desirable as the procedure recommended by the committee.

It is the committee's intent that the designated organizations will take geographic considerations into account in selecting the panels. Further, the committee is confident that the President and these organizations will work together for the purpose of achieving an objective and geographically balanced body.

It is the committee's expectation that members will come to the Commission with open minds and with the intention of working toward the ultimate goal of responsible and effective government at all levels of our Federal system. In this connection, the committee also believes that the members will not regard themselves as primarily representatives of any particular group, level of government, or geographic area for the advancement of a special point of view. It is intended that the Commission will not urge a Federal solution simply because Federal action appears the easiest course. It is rather intended that it will encourage the assumption of responsibility by the appropriate level or levels of government with respect to any given problem.

It is the committee's expectation that the Commission will establish working subcommittees which will give intensive and continuing study to important problems of concern to the Commission as a whole.

The committee is hopeful that the Commission will function as a coordinating center for the study of intergovernmental relations and will encourage and stimulate attention to the problems in this field not only on the part of government but by the universities and private foundations as well.

COOPERATION OF THE STATES

Consideration was given to the States contributing a portion of the Commission's operating expenses. While the committee believes joint Federal-State financial support is desirable in principle, considerable doubt has been raised as to the practicability of such an arrangement. In order to avoid handicapping the Commission, the committee believes it advisable that the Commission's operating expenses be paid for the present wholly from Federal funds.

However, the committee is of the opinion that the States should and will wish to contribute indirectly to the Commission's support by furnishing staff assistance to the Commission and to its working committees.

It is expected that the State and local governments, collectively through their respective organizations, and individually where feasible, will cooperate actively with the Commission in the collection and analysis of State and local research data and by the assignment, when needed, of appropriate personnel to assist in the conduct of specific research projects.

CONCLUSION

Upon recommendation of the Intergovernmental Relations Subcommittee, the full committee favorably reports H.R. 6904, with amendments, to establish an Advisory Commission on Intergovernmental Relations.

The committee recognizes that the particular organizational features provided by this bill may require adjustment from time to time in response to experience and changing conditions. For the present, however, the committee is satisfied that the bill, as amended, represents a sound and carefully planned method of accomplishing the important objectives intended for the Commission.

The committee adopted five principal amendments of H.R. 6904 to incorporate recommendations made by witnesses in the joint hearings and by the Director of the Bureau of the Budget. These amendments are: (1) An elaboration of the declaration of purpose to clarify and make more explicit the breadth of the Commission's responsibilities (sec. 2(6), (7)); (2) enlargement of the membership of the Commission from 24 to 25 members, to provide greater representation for county government (sec. 3(a)); (3) enlargement of the size of the panels to be submitted to the President by the several State and local organizations for the appointment of Commission members, in order to afford the President greater flexibility in the appointments (sec. 3 (a), (4), (5), (6), (7)); (4) increase the number of members from county government from one to two (sec. 3 (a), (7)); (5) provision for designation of the Chairman and Vice Chairman of the Commission by the President from among members of the Commission (sec. 4(b)).

In addition, the committee adopted a number of technical perfecting amendments.

ADDITIONAL VIEWS OF HON. CLARE E. HOFFMAN

H.R. 6904 is an outgrowth of the 30th report by the Committee on Government Operations in the 85th Congress. Among the findings of that report—a report in which I concurred—was one to the effect that there was generally favorable acceptance throughout the Nation of the grant-in-aid principle and most existing grant programs.

However, throughout the hearings upon which the report was based, it became apparent that the tangled web of intergovernmental relationships, in a complex which encompasses echelons ranging from the local to the national, was sorely in need of continuing review and coordination.

While I am basically opposed to the Federal Government continually increasing its authority and activities, especially those which should and can be performed by the States and the municipalities, inasmuch as that tendency will continue, we certainly must seek means to make the spending and the controls as efficient and economical as possible.

Perhaps the creation of a commission such as that provided for in the bill will tend to bring about those objectives—that is, less spending, less waste, greater efficiency.

CLARE E. HOFFMAN.

○

Union Calendar No. 323

86TH CONGRESS
1ST SESSION

H. R. 6904

[Report No. 742]

IN THE HOUSE OF REPRESENTATIVES

MAY 6, 1959

Mr. FOUNTAIN introduced the following bill; which was referred to the Committee on Government Operations

JULY 31, 1959

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To establish an Advisory Commission on Intergovernmental Relations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, hereinafter referred to as the "Commission".

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest

cooperation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance of its duties, will—

(1) bring together representatives of the Federal, State, and local governments for the consideration of common problems;

(2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;

(3) give critical attention to the conditions and controls involved in the administration of Federal grant programs;

(4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;

(5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental ~~cooperation,~~ ~~and~~ *cooperation;*

(6) recommend, within the framework of the

Constitution, the most desirable allocation of governmental ~~functions and~~ *functions*, responsibilities, *and revenues* among the several levels of ~~government.~~ *government; and*

(7) recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of ~~twenty-four~~ *twenty-five* members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be Members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;

(4) Four appointed by the President from a panel of at least ~~six~~ *eight* Governors submitted by the Governors' Conference;

(5) Three appointed by the President from a panel

of at least ~~five~~ *six* members of State legislative bodies submitted by the board of managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least ~~six~~ *eight* mayors submitted jointly by the American Municipal Association and the United States Conference of Mayors;

(7) ~~One~~ *Two* appointed by the President from a panel of at least ~~two~~ *four* elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), and (6) of subsection (a), not more than two shall be from any one political party *and of the members enumerated in paragraph (7) of subsection (a), not more than one shall be from any one political party*; of each class of members enumerated in paragraphs ~~(5)~~ ~~and~~ *(5)*, (6) *and (7)* of subsection (a), not more than one shall be from any one State; at least two of the appointees under

paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) The term of office of each member of the Commission shall be two years, but members shall be eligible for reappointment.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The President shall convene the Commission within ninety days following enactment of this Act at such time and place as he may designate for the Commission's initial meeting. ~~The President, or his designee, shall serve as the Commission's temporary Chairman pending the election of a permanent Chairman.~~

(b) ~~The Commission shall elect a Chairman and a Vice Chairman from among its members.~~ *The President shall designate a Chairman and a Vice Chairman from among members of the Commission.*

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs 4, 5, ~~and~~ 6, *and 7* of section 3 (a), each panel of names submitted in accordance with the aforementioned para-

graphs shall contain at least ~~one name more than the number of vacancies~~ *two names for each vacancy.*

(d) Where any member ceases to serve in the official position from which originally appointed under section 3 (a), his place on the Commission shall be deemed to be vacant.

(e) ~~Twelve~~ *Thirteen* members of the Commission shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act;

(2) to consider, on its own initiative, ways and means for fostering better relations between the levels of government;

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member ~~of~~ *authorized by* the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of, and remove a staff director without regard to the civil service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard

to the civil service laws and the Classification Act of 1949, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of, and remove such other personnel as he deems necessary

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals.

(e) Except as otherwise provided in this Act, persons in the employ of the Commission under subsections (c) and (d) (1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267),

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103),

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842).

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel ~~expenses, including subsistence~~ *expenses* (or, in the alternative, a per diem in lieu of subsistence *and mileage* not to exceed the ~~rate~~ *rates* prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842), the Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of

the Commission, as provided for in subsection (a) of this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Union Calendar No. 323

86TH CONGRESS
1ST SESSION

H. R. 6904

[Report No. 742]

A BILL

To establish an Advisory Commission on Intergovernmental Relations.

By Mr. FOUNTAIN

MAY 6, 1959

Referred to the Committee on Government Operations

JULY 31, 1959

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

2. PUBLIC LANDS. Passed without amendment H. R. 5849, to modify conditions under which Alaska may select lands made subject to lease, permit, license, or contract. Consideration of a similar bill, S. 1412, was indefinitely postponed. This bill will now be sent to the President. p. 13963

Passed with amendment H. R. 6939, after substituting the language of a similar bill, S. 1723, which amends the act providing for the leasing of coal lands in Alaska so as to increase the acreage limitation in such act. Consideration of S. 1723 was indefinitely postponed. p. 13963

3. MINERAL LEASES. Sen. Allott criticized the recent passage of H. R. 6940, to provide for the increase of acreage limitations on oil and gas leases in Alaska. pp. 13976-8

4. NOMINATIONS. Confirmed the nomination of Frederick H. Mueller to be Secretary of Commerce. pp. 13950-1

5. FORESTRY. Sen. Fulbright commended the Senate Appropriations Committee for including $22 million in the supplemental appropriation bill to implement the program for the national forests, and urged that part of the funds be used for forestry research in Arkansas. p. 13930

6. SURPLUS FOODS; FOREIGN AID. Sen. Humphrey inserted an editorial, "Great White Fleet," commending proposed legislation for the use of surplus ships to provide disaster relief, including surplus foods, abroad. p. 13942

7. GOVERNMENTAL RELATIONS. Passed over, at the request of Sen. Bartlett, S. 2026, to establish an Advisory Commission on Intergovernmental Relations. p. 13962

8. ELECTRIFICATION. Passed with amendments S. 2471, to amend H. R. 3460, so as to delete a provision which would bar commitment for any TVA power construction until a proposal for such construction had been before Congress for 90 days without modifying action by concurrent resolution. pp. 13896-7, 13945-7

9. FISHERIES. The Interstate and Foreign Commerce Committee reported without amendment H. R. 2398, to authorize the Interior Department to construct a fish hatchery in northwestern Pa. for stocking streams in that area (including Forest Service streams) (S. Rept. 622). p. 13892

10. TRANSPORTATION. The Interstate and Foreign Commerce Committee reported without amendment S. Res. 151, to authorize a study of transportation problems in rural areas. p. 13892

11. FARM PROGRAM; TRANSPORTATION. Sen. Humphrey inserted a Minnesota Legislature resolution requesting Congress, the President, and the Secretary of Agriculture to study and enact suitable legislation to enable the producers of agricultural products in the northern and western areas of the U. S. to share in the savings of shipping costs by reason of the use of the St. Lawrence Seaway. p. 13891

12. FARM PROGRAM; EXPENDITURES. Sen. Proxmire stated that recent criticism of several bills before Congress by Sen. Williams, Del., was similar to Secretary Benson's criticism of his (Proxmire's) farm bill introduced before the campaign in 1958 as "enormously extravagant and expensive," which charge Proximire argued was "simply untrue." He then discussed several bills which were attacked by Sen. Williams, including one by Rep. McGovern, H. R. 1301, a general farm bill, which Sen. Williams estimated would cost $36.5 billion and which Sen. Proxmire stated would almost certainly result in savings in the cost of the

farm program. Sens. Williams and Proxmire continued the debate on other bills and their costs. pp. 13955-60

23. BUDGET. Sen. Johnson stated that Congress reduced the President's budget estimates by $10,600 million in the last 5 years, and that Congress has reduced the President's request for "backdoor financing" (authorizations for Treasury funds without direct appropriations), and inserted several tables on Presidential requests and Congressional action on the budget. pp. 13897-9

Sen. Goldwater stated that Sen. Johnson is attempting "to get the monkey of high spending off the backs of the Democrats" and is engaging in "Operation Retreat," and inserted several items including "Record Votes in Senate on Republican Amendments To Save Money on Spending Bills," showing strong Republican support and Democratic opposition. Sen. Johnson and others debated the subject. pp. 13901-17

ITEMS IN APPENDIX

24. ELECTRIFICATION. Extension of remarks of Rep. Utt inserting an article, "How Much Is Public Power Costing the People of Your State?" p. A6778

Extension of remarks of Sen. Case, S. Dak., inserting an article explaining how the "integrated operation of the Missouri River dams works." pp. A6782-3

Rep. Levering inserted his address, "What REA Means to America." pp. A6805-7

25. FUTURE FARMERS. Sen. Carlson inserted two editorials commending the work of the Future Farmers and suggesting that the leadership conferences be held each year. pp. A6778-9

26. SURPLUS COMMODITIES; FOREIGN AID. Extension of remarks of Rep. Bolton favoring the joint program with Italy to provide food for needy Italian children and inserting a State Dept. press release on the renewal of this program. p. A6788

Extension of remarks of Rep. McGovern expressing pleasure over the manner in which the American people have endorsed the proposed Great White Fleet program, and inserting excerpts from letters received from his constituents. pp. A6814-6

27. RECREATION; FORESTRY. Extension of remarks of Sen. Neuberger inserting an article favoring the preservation of scenic shorelines and seashores of the United States. p. A6795-6

28. WATER RIGHTS. Extension of remarks of Rep. Morris inserting an article, "Pioneer Eddy Families Face U. S. Court On Water Rights -- Ordered to Answer in Albuquerque." pp. A6803-4

BILLS INTRODUCED

29. FOREIGN AFFAIRS. S. 2495, by Sen. Gore, to promote the foreign relations of the United States by providing for the establishment of a National Foreign Service Academy; to Foreign Relations Committee.

30. FARM LABOR. S. 2498, by Sen. Williams, N. J. (for himself and others), to provide for the registration of contractors of migrant agricultural workers; to Labor and Public Welfare Committee. Remarks of Sen. Williams. pp. 13935-40

31. FARM PROGRAM. S. 2502, by Sen. Humphrey, to provide for the development of a comprehensive family farm program, to bring the production of agricultural commodities into balance with demand therefor, to enable farmers to secure fair

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Minnesota.

The motion was agreed to.

ORDER OF PROCEDURE—ORDER FOR CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. BARTLETT and Mr. ALLOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. ALLOTT. Mr. President, I rise to a point of order. I believe I am next on the list of Senators I see present on the floor, with the exception of the Senator from Minnesota [Mr. HUMPHREY].

The PRESIDING OFFICER. The regular order governs. The Senator from Alaska has been recognized.

Mr. ALLOTT. Mr. President, I appeal from the ruling of the Chair.

Mr. HUMPHREY. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. KEATING. Mr. President, will the Senator yield for an inquiry?

Mr. BARTLETT. I yield.

Mr. KEATING. Will both Senators yield to me to make an inquiry?

Mr. ALLOTT. I do not have the floor.

Mr. BARTLETT. I will gladly yield.

Mr. KEATING. My inquiry is this: I was requested by the distinguished majority leader to note the absence of a quorum at the conclusion of my remarks, and it slipped my mind before the Senator from Wisconsin [Mr. PROXMIRE] was recognized. I want to carry out my obligations to the majority leader. I do not want to interfere with what is being said here, but I feel I am committed to note the absence of a quorum. May I do so?

Mr. BARTLETT. Mr. President, will the Senator yield so I may make a unanimous-consent request?

Mr. KEATING. I am making the inquiry on behalf of the majority leader.

Mr. BARTLETT. I am glad the Senator is.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. BARTLETT. I should like to put this unanimous-consent request: That the Senate proceed to consider bills on the calendar to which there is no objection, beginning with Order 581, Senate bill 2026, to establish an Advisory Commission on Intergovernmental Relations, to conclude with Order No. 604, House bill 4120, for the relief of Dr. Raymond A. Vonderlehr and certain other officers of the Public Health Service, but that the Senator from Colorado may have the floor before the call of the calendar begins.

Mr. ALLOTT. Mr. President, reserving the right to object——

Mr. HUMPHREY. Mr. President, I object.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. What is the pending business before the Senate?

The PRESIDING OFFICER. It is Senate bill 747, the Des Plaines public hunting and refuge area bill.

Mr. DIRKSEN. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DIRKSEN. It is my understanding that bill was laid aside on yesterday. Is that correct?

The PRESIDING OFFICER. After the privileged matter was acted upon, that bill came before the Senate.

Mr. DIRKSEN. It automatically became the pending business after adjournment last night. Is that correct?

The PRESIDING OFFICER. Yes.

Mr. DIRKSEN. So presently Senate bill 747, the bill dealing with the Des Plaines area, is the pending business before the Senate. Is that correct?

The PRESIDING OFFICER. Yes.

Mr. DIRKSEN. Mr. President, it becomes necessary to lay that bill aside by unanimous consent, in order to consider the calendar.

The PRESIDING OFFICER. Or a motion may be made to take up another bill.

Mr. KEATING. Mr. President, pursuant to my obligations to the distinguished majority leader, I suggest the absence of a quorum.

The PRESIDING OFFICER. Has the Senator from Alaska yielded to the Senator from New York for that purpose?

Mr. BARTLETT. Mr. President, I move that the pending business be laid aside and that the calendar be called for the consideration of unobjected-to measures, commencing with Order No. 581 and ending with Order No. 604.

The PRESIDING OFFICER. The two requests cannot be embodied in the same motion.

What is the first request?

Mr. BARTLETT. Mr. President, I ask that the pending business be laid aside.

The PRESIDING OFFICER. Is there objection to the request? The Chair hears none, and it is so ordered.

Mr. BARTLETT. I ask unanimous consent that the Senate proceed to consider measures on the calendar to which there is no objection, beginning with Order No. 581 and ending with Order No. 604.

The PRESIDING OFFICER. Is there objection? Without objection——

Mr. ALLOTT. Mr. President, do I understand that the unanimous-consent proposal is to proceed with the call of the calendar?

The PRESIDING OFFICER. That is correct.

Mr. ALLOTT. Then, reserving the right to object, I should like to make an inquiry. The senior Senator from Minnesota [Mr. HUMPHREY] is on the list of speakers at the desk, and I know he is entitled to recognition before the Senator from Colorado. I should like to inquire how it occurred that the Senator from Alaska was recognized when both the Senator from Minnesota and the Senator from Colorado were seeking recognition.

The PRESIDING OFFICER. The list which is at the desk is certainly unofficial, and the Chair recognized the Senator from Alaska who was on his feet prior to the Senator from Minnesota.

Mr. ALLOTT. Reserving the right to object, I call the attention of the Chair to the fact that the Senator from Colorado was on his feet before the Senator from Delaware was recognized, that he was seeking recognition, that he had addressed the Chair prior to the time the Senator from Delaware was recognized.

I do not wish to come ahead of the Senator from Minnesota, but these lists are either going to be recognized in the Senate or they are going to be thrown out the door. We have agreed many times that we were going to proceed according to these lists.

The PRESIDING OFFICER. Prior to the appearance of the name of the Senator from Colorado on the list, the majority leader had indicated that the calendar call would be made following the remarks of the Senator from New York [Mr. KEATING].

Mr. ALLOTT. The rules provide that the Chair shall recognize the first Senator who addresses the Chair.

The PRESIDING OFFICER. I think that is a proper statement of the rules.

Mr. ALLOTT. This has been modified for the convenience of the Senate by the placing of a list before the Presiding Officer. I placed my name on that list after waiting for some 2 hours before I did so. I do not wish to prolong the discussion if the Senator from Minnesota wishes to have the calendar called, since he precedes me on the list, I shall not object.

Mr. HUMPHREY. It would be my desire that the calendar call should be undertaken, since it will expedite our business.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. The Chair has recognized the Senator from Alaska. Does the Senator from Alaska yield to the Senator from Tennessee?

Mr. BARTLETT. I yield.

Mr. GORE. Mr. President, I did not ask the Senator to yield. I sought recognition.

The PRESIDING OFFICER. The Senator from Alaska has the floor, and has yielded to the Senator from Oklahoma.

TENNESSEE VALLEY AUTHORITY

Mr. GORE. Mr. President, earlier today the President signed into law a bill providing authority for the Tennessee Valley Authority to sell bonds to provide for the building of additional generating capacity for the TVA. This represents a great accomplishment. It is the result of a very long effort. It was a necessary action in order that the 5 million people who must depend upon the Tennessee Valley Authority, and who do depend upon the Tennessee Valley Authority as the source of their electrical energy, may grow in their economy as the people of other regions are growing.

I am grateful for the action of the Congress. I am grateful for the leadership and for the bipartisan support which has brought the bill to enactment.

I wish particularly to mention the senior Senator from Oklahoma [Mr. KERR], the senior Senator from New

Mexico [Mr. CHAVEZ], the senior Senator from South Dakota [Mr. CASE], the majority leader, the Senator from Texas [Mr. JOHNSON], the minority leader, the Senator from Illinois [Mr. DIRKSEN], and other Senators who have contributed time, interest, effort and understanding to the problems of the people of the Valley.

It is remarkable that in the final analysis the understandings and the agreements which culminated in the signature of the President to this bill enacting it into law, on the part of the Senator from Oklahoma, a Democrat, the Senator from South Dakota, a Republican, the majority leader, a Democratic Senator from the State of Texas, the minority leader, a Republican Senator from the State of Illinois and the Speaker of the House, Mr. RAYBURN, now from Texas but a native of Tennessee, played most prominent parts. This is what makes America great. This is what has brought about development of our natural resources in one important instance after another.

Unless Members of the Senate show a concern and an interest in the people of regions other than those of their own direct constituencies, then we cannot be a great Nation.

The fact that this bill has been written into law is a compliment to the bipartisan consideration it has received, a compliment to the cooperation between Democrats and Republicans on the Public Works Committee and also the cooperation between the majority and minority leaders.

I appreciate, too, the approval of the bill by President Eisenhower.

THE CALENDAR—BILL PASSED OVER

The PRESIDING OFFICER. Without objection, the Senate will proceed with the call of the calendar, beginning with order No. 581, Senate bill 2026.

The bill (S. 2026) to establish an Advisory Commission on Intergovernmental Relations, was announced as first in order.

Mr. BARTLETT. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

FRANCISZEK ROSZKOWSKI

The bill (S. 1702) for the relief of Franciszek Roszkowski was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Franciszek Roszkowski shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

PACIFICO A. TENORIO

The bill (S. 1731) for the relief of Pacifico Tenorio was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Pacifico A. Tenorio shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

PETER SERGEEVICH DERYABIN, ALSO KNOWN AS THEODORE STANLEY OREL

The bill (H.R. 4243) for the relief of Peter Sergeevich Deryabin, also known as Theodore Stanley Orel, was considered, ordered to a third reading, read the third time, and passed.

NETTIE KORN AND MANFRED KORN

The Senate proceeded to consider the bill (S. 1071) for the relief of Nettie Korn and Manfred Korn which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of the Immigration and Nationality Act, Nettie Korn and Manfred Korn shall be deemed to have been born in Austria.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ALLEN HOWARD PILGRIM AND OTHERS

The Senate proceeded to consider the bill (S. 1557) for the relief of Allen Howard Pilgrim, Cheryl Ann Pilgrim, Robb Alexander Pilgrim, and Jocelyn Marie Pilgrim, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 8, after the word "fees", to insert a colon and *"Provided,* That the natural parents of Allen Howard Pilgrim, Cheryl Ann Pilgrim, Robb Alexander Pilgrim, and Jocelyn Marie Pilgrim shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.", so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Allen Howard Pilgrim, Cheryl Ann Pilgrim, Robb Alexander Pilgrim, and Jocelyn Marie Pilgrim shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees: *Provided,* That the natural parents of Allen Howard Pilgrim, Cheryl Ann Pilgrim, Robb Alexander Pilgrim, and Jocelyn Marie Pilgrim shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

KENZO HACHTMANN, A MINOR

The Senate proceeded to consider the bill (S. 2238) for the relief of Kenzo Hachtmann, a minor, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "States", to insert a colon and *"Provided,* That the natural mother of Kenzo Hachtmann shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act," so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Kenzo Hachtmann, shall be held and considered to be the natural-born alien child of Charles W. Hachtmann, a citizen of the United States: *Provided, That the natural mother of Kenzo Hachtmann shall not by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.*

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

IRENE MILIOS

The Senate proceeded to consider the bill (S. 2021) for the relief of Irene Milios, which has been reported from the Committee on the Judiciary, with amendments, in line 6, after the word "of", to insert "Mr. and Mrs."; in the same line, after the name "Milios", to strike out "a citizen" and insert "citizens", and in line 7, after the word "States", to insert a colon and *"Provided,* That the natural parents of Irene Milios shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act."; so as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 101(a)(27)(A) and 205 of the Immigration and Nationality Act, the minor child, Irene Milios, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Nicholas Milios, citizens of the United States: *Provided,* That the natural parents of Irene Milios shall not, by virtue of such parentage, be accorded any right, privilege, or status under the Immigration and Nationality Act.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CONCURRENT RESOLUTION PASSED OVER

The concurrent resolution (S. Con. Res. 11) to invite friendly and demo-

Aug 17, 1959

11. FOREIGN TRADE; SURPLUS COMMODITIES. The Agriculture Committee reported without amendment H. R. 8609, to extend Public Law 480 (Aug. 15, H. Rept. 908) (p. 14745). For excerpts from committee report and summary of bill see end of this Digest.

12. INTERGOVERNMENTAL RELATIONS. Passed, 335 to 31, under suspension of the rules H. R. 6904, to establish an Advisory Commission on Intergovernmental Relations (pp. 14697-709). Rep. Fountain stated that "The Commission would serve in an advisory capacity to the President, to the Congress, and to State and local government. Its function would be to provide information and to make recommendations for the purpose of facilitating sound governmental policies with respect to intergovernmental activities and problems. The Commission would have no administrative responsibilities." (p. 14699)

13. COCONUT OIL. Passed over, at the request of Rep. Pelly, H. J. Res. 441, to authorize the disposition of approximately 265 million pounds of coconut oil from the national stockpile. p. 14681

14. LANDS; LEASING; MINERALS. Received the President's veto message on H. R. 6940, to increase the number of acres in Alaska that may be held by any one individual or firm under oil and gas leases or options pursuant to the Mineral Leasing Act, stating that the bill "would tend to produce an excessive concentration of control over such potential resources" (H. Doc. 214); referred to the Interior and Insular Affairs Committee. pp. 14680-1

Conferees were appointed on H. R. 6939, to increase the area of public lands in Alaska which may be held under coal lease by any one person or firm. Senate conferees have not yet been appointed. p. 14736

15. RECREATION; LANDS. Passed with amendment S. 1436 in lieu of H. R. 5412, to provide that lands conveyed under the Recreation Act of 1926 for State park purposes shall not be subject to the 640 acre limitation. The House previously passed as reported H. R. 5412, and then substituted the provisions of H. R. 5412 as passed for those in S. 1436. p. 14682

16. PERSONNEL; ACCOUNTING. Passed as reported H. R. 7529, to provide that the Comptroller General, upon the recommendation of department heads, may waive indebtedness growing out of erroneous payments to Federal employees, if such payment would be against equity. p. 14689

Passed as reported H. R. 8241, to amend the Civil Service Retirement Act so as to set terms, conditions, and computation of annuities for retired Members of Congress who are reemployed by the Federal Government. p. 14690

17. FEDERAL INSIGNIA. Passed as reported S. 355, to amend title 18 of the U. S. Code so as to prohibit the misuse by collecting agencies or private detective agencies of names, emblems, and insignia to indicate a Federal agency. p. 14691

18. ADMINISTRATIVE LAW. Passed without amendment H. R. 7559, to provide for a reasonable notice of applications to the U. S. courts of appeals for interlocutory relief against the orders of certain administrative agencies. p. 14692

19. FORESTRY. Received from the Secretary of the Army and the Secretary of Agriculture "a notice of the intention of the Department of the Army and the Department of Agriculture to interchange jurisdiction of lands within the Lucky Peak Reservoir project, Idaho, and the Boise National Forest" as authorized by Public Law 804, 84th Congress. p. 14745

20. SCIENCE; RESEARCH. Passed over, at the request of Rep. Gross, H. R. 6288, to establish a National Order of Science to provide recognition for individuals who make outstanding contributions in science and engineering. p. 14688

Passed with amendments H. R. 8284, to make various amendments to the National Science Foundation Act (pp. 14692-4). The bill includes provisions relating to the initiation, and support of, and granting of scholarships for, basic research in the physical, biological and other sciences. (pp. 14693-4).

21. WILDLIFE. Passed without amendment H. R. 2725, to prohibit the use of aircraft or motor vehicles to hunt certain wild horses or burros on land belonging to the U. S. pp. 14690-1

Passed over, at the request of Rep. Rivers, H. R. 2565, to promote effectual planning, development, maintenance and coordination of wildlife, fish, and game conservation and rehabilitation in military reservations. Rep. Rivers, earlier in the day, objected to the consideration of this bill but later withdrew his objection. pp. 14684-5

Passed over, at the request of Rep. Aspinall, H. R. 7045, to authorize the establishment of the Arctic Wildlife Range, Alaska. p. 14685

22. TRANSPORTATION. Passed without amendment H. R. 5067, to repeal section 217 of the Merchant Marine Act, 1936, which authorizes the Department of Commerce to coordinate foreign trade activities of the Federal agencies and private firms (p. 14685). The report on the bill states that war freight forwarders have taken the position that Government agencies must use their services even if such services are unnecessary (citing this section as justification for their position) and stated that the section to be repealed by this bill was enacted to assist the freight forwarding industry during World War II.

Passed, under suspension of the rules, H. R. 5068, to amend the Shipping Act of 1916 to provide for licensing independent freight forwarders. pp. 14715-7, 14685

23. LEGISLATIVE BRANCH APPROPRIATIONS FOR 1960. Agreed to the further conference report on this bill, H. R. 7453. p. 14680

24. LEGISLATIVE PROGRAM. In addition to the bill listed in the legislative program in Digest 139, Rep. McCormack announced the following bills will also be considered today, Aug. 18: H. R. 2886, import duties on silk yarn, and H. R. 7456, import duty on casein. p. 14738

ITEMS IN APPENDIX

25. SURPLUS COMMODITIES. Extension of remarks of Rep. Irwin inserting excerpts from the testimony of the program director for the Save the Children Federation in behalf of a suggestion that the United Nations should assume a role of "great importance" with respect to the use of commodities. pp. A7053-4

Extension of remarks of Sen. Neuberger in support of the proposal for a Great White Fleet to distribute surplus foods to the needy of the world and inserting an address, "From Mothballs to Mercy Missions." pp. A7063-5

26. SURPLUS PROPERTY. Extension of remarks of Rep. McCormack commending the surplus property disposal program and inserting a HEW press release including a State-by-State list of real and personal property distributed, April - June 1959. pp. A7055-6

27. COTTON. Rep. Roberts inserted an Ala. State Legislature resolution commending the Congress on the passage of the cotton acreage allotment bill. p. A7058

in connection with exports of wheat and wheat flour are occasioned by reason of the U.S. domestic price of wheat being higher than the world price.

The Commodity Credit Corporation program which has been conducted pursuant to the International Wheat Agreement Act of 1949, as amended in 1953 and 1956, enables commercial wheat exporters and millers to purchase wheat at domestic market prices and to sell the wheat, or wheat flour product, to purchasers in IWA importing countries, at prices consistent with the agreement price range, in competition with other exporters in the world market.

The act requires the Commodity Credit Corporation to utilize the usual and customary channels, facilities, and arrangements of trade and commerce to the maximum extent practicable in making wheat available under the agreement. During the life of the 1956 agreement, all but a negligible part of the exports of wheat and wheat flour under the agreement have been handled by the private trade. Specifically, Commodity Credit Corporation has been directly involved in foreign sales only under special circumstances, in transactions representing 3 percent of all wheat agreement exports in 1956–57, eight-tenths of 1 percent in 1957–58, and four-tenths of 1 percent in 1958–59.

Insofar as practicable, practices and procedures applicable to ordinary commercial exports are permitted and encouraged. The program requirements are such as to make participation practicable for small business or for any exporter regularly engaged in the exportation of wheat or wheat flour.

Under the program, an exporter in the private trade negotiates a sale of wheat or wheat flour with a buyer in a wheat agreement importing country, in the knowledge of export payment rates which are publicly announced each day by the Commodity Credit Corporation after grain markets have closed. The exporter reports the sale by telegraph to the CCC, and if the transaction is eligible he receives confirmation of eligibility under the program within a few hours. He later accomplishes the exportation and upon presentation of evidence of sale and proof of export, he collects the export payment from an office in his area at the rate per bushel of wheat or hundredweight of flour which prevailed at the time the sale was made. In the case of wheat, the subsidy payment is made in the form of a negotiable certificate which is redeemable only in wheat from Commodity Credit stocks at the domestic market price. This wheat is utilized only in connection with further exports under the program.

EXPORT SUBSIDY COSTS

During the life of the 1956 agreement, the average payment per bushel has been about 73 cents, although during the last 1 of the 3 years it was considerably less than the preceding 2 years. It is estimated that during the first year of the 1959 agreement the payment per bushel may average between 55 and 60 cents. An estimate of the cost beyond the first year has not been made because of the uncertainties in forecasting (1) the level of domestic market prices and (2) the future selling prices which will need to be established in order to remain competitive in the world market. In the latter connection, no appreciable change is anticipated which would result in increased subsidy costs.

(Mr. SPENCE asked and was given permission to revise and extend his remarks and to insert a description of the operations under the Wheat Agreement Act.)

Mr. McDONOUGH. Mr. Speaker, the chairman of the committee has clearly stated the purposes of this bill.

One of the items I believe to be of special interest to those of us who are seeking to economize on our price support agriculture program on agricultural commodities is that the exports provided for under this bill will help keep the costs at a minimum for providing a stable wheat market, and to release from storage many millions of bushels of wheat that otherwise would have to be stored at great expense to the American taxpayer.

Let me read the following from the committee report:

PURPOSE OF BILL

The bill would extend for an additional 3 years the necessary implementing legislation to carry out U.S. participation in the International Wheat Agreement. This agreement was originally signed in 1949 and since has been extended at 3-year intervals, the latest extension having been ratified by the Senate on July 15, 1959, by a vote of 92 to 1. Under the 1959 agreement, some 30 participating wheat-importing countries have agreed to buy on the average of 70 percent of their commercial wheat imports from the United States and 8 other wheat-exporting countries, at prices within a specified range. H.R. 8409 would extend the Commodity Credit Corporation's authority to make wheat and wheat flour available for export to exercise our right and fulfill our obligations under the agreement.

RIGHTS AND OBLIGATIONS UNDER THE 1959 AGREEMENT

Under the International Wheat Agreement of 1959 each importing member country undertakes to purchase from member exporters a specified percentage of its total commercial purchases from all sources. The weighted average of the percentages subscribed by individual importing countries is a little over 70 percent. At the level of trade during the 4 years 1954–58, commercial transactions per year for these countries approximated 600 million bushels. It is expected that these countries will buy a much greater proportion of their total commercial requirements than the 70 percent subscribed; this percent is the minimum guaranteed under the agreement. This importer obligation exists at the agreement minimum price, and continues throughout the range up to the maximum price established by the agreement. The United States and other exporting countries have the right to sell the guaranteed percentage of importers' purchases, with the added benefit of whatever quantities over and above the subscribed percentages member importers may purchase from them.

The exporting countries' obligation becomes effective if the price reaches the agreement maximum. Then, they must furnish any quantities not already purchased in that year, up to a moving average equal to importers' historical commercial purchases during a 5-year period. Importing countries have the right to purchase up to these quantities at the maximum price. On the basis of average commercial exports in the period 1954–58, the U.S. annual obligation would be to sell a little over 150 million bushels.

Transactions involving inconvertible local currency such as sales under title I of Public Law 480, and other transactions which include features introduced by the government of a country concerned which do not conform with usual commercial practices, do not come within the rights and obligations of the agreement.

THE PRICE RANGE

The price range specified in the 1958 agreement is $1.50 to $1.90 per bushel. These prices are in terms of a basic grade, No. 1 Manitoba Northern, at a basing point at the head of the Great Lakes in Canada. The current Canadian quotation for this grade of wheat in the base location (converted to U.S. funds which coincide with the monetary basis specified in the agreement) is $1.74. This is 16 cents below the agreement maximum and 24 cents above the minimum.

The price range under the agreement is the result of, and consistent with, world price levels for wheat which have evolved as a result, to some extent, of supply-demand factors, disposal and pricing policies of the principal wheat-exporting countries, and negotiations in connection with the agreement to maintain a reasonable and stable price, scarcity or surplus conditions notwithstanding.

There is no objection to the bill that I know of. I have no requests for time. I hope, in view of the fact that we are a party to this international wheat agreement and this action will extend the agreement for another 3 years, that the bill will pass.

Mr. SHELLEY. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield.

Mr. SHELLEY. Does this bill in any way change the present requirements of 50–50 carriage of cargo wherever this type of cargo is being released or distributed by the United States Government?

Mr. McDONOUGH. I appreciate the interest of the gentleman from California in that particular respect. This does not change the 50–50 formula for the handling of the commodities.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. McDONOUGH. I yield to the gentleman from North Carolina.

Mr. BONNER. Does it pertain in any manner to the 50–50 formula for the carriage of cargoes of this type in American-flag vessels?

Mr. McDONOUGH. No, it does not.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two thirds having voted in favor thereof) the rules were suspended and the bill was passed.

ESTABLISHING AN ADVISORY COMMISSION ON INTER-GOVERNMENTAL RELATIONS

Mr. FOUNTAIN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6904) to establish an Advisory Commission on Intergovernmental Relations.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, hereinafter referred to as the "Commission".

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest cooperation and coordination of activities between the

levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance of its duties, will—

(1) bring together representatives of the Federal, State, and local governments for the consideration of common problems;

(2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;

(3) give critical attention to the conditions and controls involved in the administration of Federal grant programs;

(4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;

(5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation;

(6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government; and

(7) recommend methods of coordinating and simplying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of twenty-five members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be Members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;

(4) Four appointed by the President from a panel of at least eight Governors submitted by the Governors' Conference;

(5) Three appointed by the President from a panel of at least six members of State legislative bodies submitted by the board of managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least eight mayors submitted jointly by the American Municipal Association and the United States Conference of Mayors;

(7) Two appointed by the President from a panel of at least four elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), and (6) of subsection (a), not more than two shall be from any one political party and of the members enumerated in paragraph (7) of subsection (a), not more than one shall be from any one political party; of each class of members enumerated in paragraphs (5), (6), and (7) of subsection (a), not more than one shall be from any one State; at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) The term of office of each member of the Commission shall be two years, but members shall be eligible for reappointment.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The President shall convene the Commission within ninety days following enactment of this Act at such time and place as he may designate for the Commission's initial meeting.

(b) The President shall designate a Chairman and a Vice Chairman from among members of the Commission.

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs 4, 5, 6, and 7 of section 3(a), each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least two names for each vacancy.

(d) Where any member ceases to serve in the official position from which originally appointed under section 3(a), his place on the Commission shall be deemed to be vacant.

(e) Thirteen members of the Commission shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act;

(2) to consider. on its own initiative, ways and means for fostering better relations between the levels of government;

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member authorized by the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of, and remove a staff director without regard to the civil service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil service laws and the Classification Act of 1949, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of, and remove such other personnel as he deems necessary.

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals.

(e) Except as otherwise provided in this Act, persons in the employ of the Commission under subsections (c) and (d)(1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267),

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103),

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842).

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel expenses (or, in the alternative, a per diem in lieu of subsistence and mileage not to exceed the rates prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842), the Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

The SPEAKER. Is a second demanded?

Mr. MEADER. Mr. Speaker, I demand a second.

Mr. FOUNTAIN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FOUNTAIN. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, before addressing myself to the legislation at hand, I want to thank each and every member of the Subcommittee on Intergovernmental Relations, and also the members of the full Committee on Government Operations, for their interest in this legislation and their cooperation in helping me to bring it to the House for action. I also want to thank those members who formerly served on the subcommittee for the sig-

nificant part they played in our hearings during the 85th Congress. These include Representatives Robert E. Jones, Henry S. Reuss, Chet Holifield, Robert H. Michel, and former Representative Edwin H. May, Jr., of Connecticut. Especially do I want to pay my respects to the ranking minority member of our subcommittee, the distinguished and able Congresswoman from New Jersey, Mrs. DWYER, for her untiring efforts and nonpartisan cooperation in making this legislation a reality. She has worked diligently at all times in a genuinely sincere effort to find a satisfactory vehicle for the improvement of intergovernmental relations. Mrs. DWYER has reflected credit not only upon herself but also upon the constituency which she has the high honor to represent.

Mr. Speaker, the bill before the House at this time, H.R. 6904, was unanimously reported with amendments by the Committee on Government Operations on July 31, 1959. This bill is intended to implement one of the principal recommendations made by the committee in its 30th report to the 85th Congress—Report No. 2533—and is a result of almost 3 years of study of Federal-State-local relations by the committee's Intergovernmental Relations Subcommittee.

The need for the advisory commission proposed in this legislation has been widely recognized and its establishment, in my judgment, is long overdue. It is interesting to note that a similar commission was recommended 10 years ago by the first Hoover Commission. I might add that the 2-year study of this neglected area of intergovernmental relations by the Kestnbaum Commission was the first official undertaking of its kind since the Constitutional Convention in 1787.

The Commission would serve in an advisory capacity to the President, to the Congress, and to State and local government. Its function would be to provide information and to make recommendations for the purpose of facilitating sound governmental policies with respect to intergovernmental activities and problems. The Commission would have no administrative responsibilities.

It should be made perfectly clear that the Advisory Commission is not intended to be exclusively a Federal agency or an agency dominated or controlled by any one level of government. Rather, it is intended to be a genuine interlevel body. In effect, the Commission is a political innovation—a new type of organization tailored to fit the character and the needs of our Federal system. This fact is reflected in the Commission's composition.

The Commission's 25 members would be a distributed as follows: 6 from the Congress, 3 from the executive branch of the Federal Government, 4 State Governors, 3 members of State legislatures, 4 mayors, 2 county officers, and 3 persons from private life. In drawing its members from among active and responsible public officials at all levels of government, the Commission would have the advantage of its members' firsthand knowledge of intergovernmental problems and their ability to communicate the Commission's findings and recommendations back to their respective levels of government. While a 25-member body may appear to be unduly large, I believe that a commission of this size is justified by the various units of government and points of view that will be represented.

The need for an Advisory Commission was well documented in the joint hearings which the subcommittee held this past June with the Senate Committee on Government Operations. The witnesses who appeared were unanimous in their support of this legislation. In addition, a great many statements were received from Members of Congress, Governors, mayors, State legislators, and private organizations, including the U.S. Chamber of Commerce and the AFL–CIO, favoring the Commission's establishment. Only one statement was received in opposition. It may be of interest that resolutions urging the enactment of this legislation have been adopted by such national organizations as the Governors' conference, the American Municipal Association, the U.S. Conference of Mayors, and the National Association of County Officials.

As many of you know, I have always taken a very critical view personally of proposals for the creation of new commissions and committees. It has been my feeling that the need for such bodies must be clearly demonstrated. In my judgment, the need has been adequately established in the present case.

In sponsoring this legislation it has been my intention that the Commission would be a modest undertaking served by a very small but outstanding professional staff. There is no need to create a bureaucracy in support of the Commission, since the staff will function primarily to draw upon operational data available from government agencies, to stimulate and coordinate the research efforts of public and private agencies in relation to intergovernmental matters, and to fill the gaps that not exist in the analysis and presentation of information in this field.

In summary, I should like to emphasize that the basic objective of the Commission is to strengthen the ability of our Federal system to meet the problems of an increasingly complex society in this space age by promoting greater cooperation, understanding, and coordination of activities between the separate levels of government. Even if the Commission did no more than provide the machinery for bringing together Federal, State and local officials to discuss matters of mutual interest and concern, I feel the proposed Commission would be worth the expense. The importance of establishing effective lines of communication between the levels of government should not be underestimated. However, I sincerely believe that the Commission, if given a fair chance, will accomplish a great deal more, and I urge my colleagues to support this legislation which has received the committee's unanimous approval.

Because of its importance is outlining the committee's thinking with respect to the nature and role of the Advisory Commission, I am placing the text of the report on the bill—Report No. 742—in the record together with the bill at the conclusion of my remarks. This report also includes representative excerpts from the testimony of the joint hearings which emphasize the special importance of the Commission and its potential usefulness.

For purposes of clarification, I am also placing in the RECORD a tabular analysis of the Advisory Commission's membership and a chronology of the events connected with this legislation.

Before concluding my remarks, I would like to comment briefly on the relationship between this legislation and other proposals now under consideration for the establishment of a commission on metropolitan area problems.

Unquestionably, the area of responsibility of the Commission in H.R. 6904 is sufficiently broad to include a study or studies of metropolitan problems. As a matter of fact, it was intended and anticipated by our subcommittee that the Advisory Commission would give attention to present and emerging metropolitan area problems that are intergovernmental in origin or effect. However, the subcommittee did not consider the question of whether or not an intensive full-scale study of metropolitan problems is needed and should be undertaken at the present time. Consequently, I presently have no personal opinion on this question. The Congress in its wisdom will have to determine, of course, whether or not there is sufficient evidence to warrant an intensive metropolitan area study at this time.

In the absence of such a determination by the Congress in this session, I would personally expect the Advisory Commission, when it is duly constituted, to consider the need for such a comprehensive study and to advise whether it or another body would be best equipped to study this problem.

However, we should bear in mind that the area of responsibility intended for the Advisory Commission is very broad and there are many pressing problems that will require the Commission's early attention. Consequently, I doubt that it would be advisable for the Congress to require that the Commission channel its energies at the outset into any single segment of the entire field of intergovernmental relations.

H.R. 6904

A bill to establish an advisory commission on intergovernmental relations

Be it enacted in the Senate and House of Representatives of the United States of America in Congress assembled,

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, hereinafter referred to as the "Commission".

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest cooperation and coordination of activities between the levels of government, and because population

growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovermental problems.

It is intended that the Commission, in the performance of its duties, will—

(1) bring together representatives of the Federal, State, and local governments for the consideration of common problems;

(2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;

(3) give critical attention to the conditions and controls involved in the administration of Federal grant programs;

(4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;

(5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation; and

(6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions and responsibilities, among the several levels of government.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of twenty-four members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be Members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;

(4) Four appointed by the President from a panel of at least six Governors submitted by the Governors' Conference;

(5) Three appointed by the President from a panel of at least five members of State legislative bodies submitted by the board of managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least six mayors submitted jointly by the American Municipal Association and the United States Conference of Mayors;

(7) One appointed by the President from a panel of at least two elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), and (6) of subsection (a), not more than two shall be from any one political party; of each class of members enumerated in paragraphs (5) and (6) of subsection (a), not more than one shall be from any one State; at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) The term of office of each member of the Commission shall be two years, but members shall be eligible for reappointment.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The President shall convene the Commission within ninety days following enactment of this Act at such time and place as he may designate for the Commission's initial meeting. The President, or his designee, shall serve as the Commission's temporary Chairman pending the election of a permanent Chairman.

(b) The Commission shall elect a Chairman and a Vice Chairman from among its members.

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs 4, 5, and 6, of section 3(a), each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least one name more than the number of vacancies.

(d) Where any member ceases to serve in the official position from which originally appointed under section 3(a), his place on the Commission shall be deemed to be vacant.

(e) Twelve members of the Commission shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accompliishment of the purposes set forth in section 2 of this Act;

(2) to consider, on its own initiative, ways and means for fostering better relations between the levels of government;

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such tstimony, and sit and act at such times and places as the Commission deems advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or member thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of, and remove a staff director without regard to the civil service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil service laws and the Classification Act of 1949, and without reference to political affiliation, shall and remove such other personnel as he deems have the power—

(1) to appoint, fix the compensation of, necessary

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals.

(e) Except as otherwise provided in this Act, persons in the employ of the Commission under subsections (c) and (d) (1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267),

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103),

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842).

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel expenses, including subsistence (or, in the alternative, a per diem in lieu of subsistence not to exceed the rate prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842), the Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

ESTABLISHING AN ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

Mr. DAWSON, from the Committee on Government Operations, submitted the following report:

The Committee on Government Operations, to whom was referred the bill (H.R. 6904) to establish an Advisory Commission on Intergovernmental Relations, having considered the same, report favorably thereon with amendments and recommends that the bill as amended do pass.

The amendments are as follows:

Page 2, line 24, strike "cooperation, and" and insert "cooperation;".

Page 3, line 3, strike "functions and" insert "functions,".

Page 3, line 3, after the word "responsibilities" insert ", and revenues".

Page 3, line 4, strike "government." and insert "government; and".

Page 3, after line 4, add the following new paragraph:

"(7) recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers."

Page 3, line 7, strike "twenty-four" and insert "twenty-five".

Page 3, line 18, strike "six" and insert "eight".

Page 3, line 20, strike "five" and insert "six".

Page 3, line 24, strike "six" and insert "eight".

Page 4, line 3, strike "One" and insert "Two".

Page 4, line 4, strike "two" and insert "four".

Page 4, line 13, after the word "party" and before the semicolon add "and of the members enumerated in paragraph (7) of subsection (a), not more than one shall be from any one political party".

Page 4, line 14, strike "(5) and" and insert "(5).".

Page 4, line 14, after "(6)" insert ", and (7)".

Page 4, beginning in line 25, strike out "The President, or his designee, shall" and all that follows down through line 2 on page 5.

Page 5, lines 3 and 4, strike out "The Commission shall elect a Chairman and a Vice Chairman from among its members." and insert "The President shall designate a Chairman and Vice Chairman from among members of the Commission."

Page 5, line 9, strike "and".

Page 5, line 9, after "6" insert ", and 7".

Page 5, lines 11 and 12, strike out "one name more than the number of vacancies." and insert "two names for each vacancy."

Page 5, line 16, strike "Twelve" and insert "Thirteen".

Page 6, line 15, strike "of" and insert "authorized by".

Page 8, lines 12 and 13, strike out "expenses, including subsistence" and insert "expenses".

Page 8, line 14, after "subsistence" insert "and mileage".

Page 8, line 14, strike "rate" and insert "rates."

PURPOSE

H.R. 6904, as amended, would establish a permanent bipartisan Advisory Commission on Intergovernmental Relations which, on a continuing basis, will (1) bring together representatives of the Federal, State, and local governments for the consideration of common problems; (2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation; (3) give critical attention to the conditions and controls involved in the administration of Federal grant programs; (4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system; (5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation; (6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government; and (7) recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

The underlying purpose of the Commission is to strengthen the ability of our Federal system to meet the problems of an increasingly complex society by promoting greater cooperation, understanding, and coordination of activities between the separate levels of government.

The membership of the Commission would be drawn, for the most part; from among active and responsible public officials at all levels of government. Thus, the Commission would benefit from both the firsthand knowledge of its members of the problems under consideration and their ability to communicate the findings and recommendations of the Commission to their respective levels of government.

It is intended that the Commission will provide guidance to the President and the Congress for the development of sound Federal policies with respect to State and local government. The Advisory Commission, however, would in no way substitute for or interfere with either the responsibility of the President for the coordination of Federal intergovernmental programs or with the legislative responsibilities of the Congress. It is intended that the Commission will also provide guidance for the development of sound intergovernmental relations at the State and local levels.

The committee wishes to emphasize its intention that the Commission will serve to strengthen State and local government so as to preserve the values of our Federal system. It should be an objective of the Commission to facilitate discussion of intergovernmental problems and to identify governmental responsibilities as they arise, and to make appropriate suggestions and recommendations to the proper level of government if recognized responsibilities are not being met at such level.

BACKGROUND

H.R. 6904 implements a major recommendation of the 30th report of the Committee on Government Operations which was unanimously adopted in August 1958.

In that report (H. Rept. 2533, 85th Cong., 2d sess.) the committee recommended "the establishment of a broadly based Advisory Commission on Intergovernmental Relations, drawing its membership from the Congress, the executive branch, Governors, State legislators, mayors, county officials, and private citizens." The committee envisaged "that such a large body would meet infrequently, but would maintain working committees to deal with special problems and would be assisted by a permanent professional staff."

The recommendation for an Advisory Commission is the result of 3 years of intensive study of Federal-State-local relations by the committee's Intergovernmental Relations Subcommitee. In the course of its investigations the subcommittee held numerous public hearings, including field hearings throughout the country during the fall of 1957, and made questionnaire surveys and special studies.[1] The subcommittee's investigations pointed strongly to the need for a permanent Advisory Commission to build on the foundation laid by the Commission on Intergovernmental Relations (the Kestnbaum Commission, whose 1955 report to the President and the Congress was referred to and thoroughly studied by the subcommittee), and the need to strengthen communication and relations between the levels of government. The Kestnbaum Commission's 2-year study of intergovernmental relations was the first official undertaking of its kind since the Constitutional Convention in 1787.

Identical bills to establish an Advisory Commission on Intergovernmental Relations were introduced in the House on May 6, 1959, by Representative L. H. FOUNTAIN (H.R. 6904) and Representative FLORENCE P. DWYER (H.R. 6905). A companion Senate bill, S. 2026, was introduced by Senator EDMUND S. MUSKIE for himself and 25 cosponsors.

JOINT HEARINGS

Joint hearings were held on the identical bills, H.R. 6904, H.R. 6905, and S. 2026, by the Intergovernmental Relations Subcommittee and the Senate Committee on Government Operations. In these joint hearings, held on June 16, 17, 19, and 22, 1959, the committees heard 21 witnesses and received written statements from 45 additional individuals or organizations who were unable to be present.

The witnesses included Members of Congress, Governors, mayors representing the two national municipal organizations, a spokesman for the National Association of County Officials, and members of the former Commission on Intergovernmental Relations.

Testimony or statements favoring this legislation were received from 22 Governors. In addition, the committee received communications from 16 Governors who were unable to attend the hearings and who expressed no opinion on the bills. No Governor was opposed to the Commission's establishment.

State Senator Leslie B. Cutler, of Massachusetts, presented the committees in joint hearing with a unanimous resolution adopted June 10, 1959, by the Massachusetts Senate memorializing the Congress to enact this legislation for the establishment of an Advisory Commission on Intergovernmental Relations. Similar resolutions have also been adopted by the American Municipal Association, the U.S. Conference of Mayors, and the National Association of County Officials.

NEED FOR COMMISSION

The need for a permanent Commission to give continuing attention to intergovernmental problems has been widely recognized.

Ten years ago the first Hoover Commission recommended the establishment of a Commission on Intergovernmental Relations.

Last year this committee, after hearings by its subcommittee throughout the United States, made a similar recommendation. In emphasizing the need for a permanent commission the committee stated in its report:

"Occasional studies and ad hoc committees, however useful, are not an effective substitute for the continuous review of intergovernmental programs and problems from the

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[1] The printed hearings and reports are as follows:

Staff Report on Replies from Federal Agencies to Questionnaire on Intergovernmental Relations (August 1956).

Replies from State and local governments to Questionnaire on Intergovernmental Relations, Sixth Report by the Committee on Government Operations (H. Rept. 575), June 1957.

Federal-State-Local Relations. Hearings before a subcommittee of the Committee on Government Operations, House of Representatives (July 29, 30, and 31, 1957).

Federal-State-Local Relations, State and Local Officials. Hearings before a subcommittee of the Committee on Government Operations, House of Representatives:

Part 1: Boston, Mass., and New York, N.Y. (Sept. 30, Oct. 1, 2, 3, 4, and 7, 1957).

Part 2: Chicago, Ill., and Kansas City, Mo. (Oct. 16, 17, 18, 21, and 22, 1957).

Part 3: Denver, Colo., and San Francisco, Calif. (Oct. 24, 25, 28, and 29, 1957).

Part 4: New Orleans, La., and Raleigh, N.C. (Nov. 18 and 19, and Dec. 10 and 11, 1957).

Federal-State-Local Relations (Dade County (Fla.) Metropolitan Government. Hearings before a subcommittee of the Committee on Government Operations, House of Representatives (Nov. 21 and 22, 1957).

Federal-State-Local Relations, Joint Federal-State Action Committee. Hearings before a subcommittee of the Committee on Government Operations, House of Representatives (Feb. 18, 1958).

Federal-State-Local Relations, Nongovernmental Organizations and Individuals. Hearings before a subcommittee of the Committee on Government Operations, House of Representatives (Feb. 25 and 26, 1958).

Federal-State-Local Relations, Federal Departments and Agencies. Hearings before a subcommittee of the Committee on Government Operations, House of Representatives, Mar. 26, 27; Apr. 2, 30; May 7, 8; and June 19, 1958.

Federal-State-Local Relations, Federal Grants-in-Aid, 30th Report by the Committee on Government Operations (H. Rept. 2553), August 1958.

standpoint of the Federal system as a whole." [2]

Last month a joint hearing of the Intergovernmental Relations Subcommittee and the Senate Committee on Government Operations adduced unanimous testimony in support of a permanent commission. This support had no geographical limitations, no political differences, no divisiveness as between levels of government.

The advocacy of distinguished witnesses was universal and reflected many areas of interest and experience; it also, with unconcerted foresight, anticipated numerous arguments which might be made against the proposal by those who are not as close to the problems involved. This report, therefore, incorporates excerpts at some length from their testimony.

EXCERPTS FROM TESTIMONY

Mr. Meyer Kestnbaum, in speaking of the work of the Commission on Intergovernmental Relations which he headed, stated:

"I am sure I need not remind you that the Commission, in making its report, had in mind the fact that its study was only the beginning of a real inquiry into the whole subject.

* * * * *

"I should like to go on record as saying that the idea of a commission that will give the President and the Congress the benefit of careful, incisive research and examination of the many problems that face us in this area, is sound, and that it can fulfill a very important and useful function."

Former Congressman Brooks Hays, who served as a member of the Kestnbaum Commission, addressed himself to what is frequently the first reaction when a commission is proposed. Mr. Hays said:

"I see no escape from what you might call the proliferation of agencies. Now, I do not mean that we can go on just multiplying commissions and agencies, but as we find some new need, and establish a commission, we also find the atrophy of commissions that were born out of another necessity that can be abandoned.

* * * * *

"But to refuse to meet a new need, with imagination, such as underlies this legislation, is simply not to give proper weight to the dynamic character of this Federal system.

"I see no escape from it. In other words, the alternative of doing nothing because you do not want to yield is to assume that we have already achieved the ideal. But we need changes, and inaction is unthinkable with America's genius for going forward in other fields.

"One trouble, Mr. Chairman, is that we have lagged in working this whole political enterprise, as I like to call it. People in America have falsely assumed that the system, being what Gladstone said, largely will operate itself.

"And we have given so much of our intellectual energies in America to other fields—the fields of business, of education, and of religious institutionalism, if I might come into another field that has demanded some of my attention in recent years, as the chairman knows.

"If we could relate these energies to this problem of getting people to recognize their mutual interests and to be less rigid in their loyalties to local, State, and Federal Government so they see the higher level through imaginative eyes, if we could pour some of their righteousness into the political enterprise as distinguished from the valid other loyalties of commerce, and so on, I think we would be meeting the demands of the 20th century, because man is a political creature and he must not let there to be a lag in this field."

Representative HAROLD C. OSTERTAG, who was also a member of the Kestnbaum Commission, in voicing his support countered the arguments which might be raised against creating a new commission in this way:

"Of course, with any of these proposals we must face the reaction which can be expected to the creation of another commission. But when a good cause is to be served, as in this case, I think this is an obstacle which can be overcome by logical and sound explanations.

"Certainly, there is a continuing need for machinery in our governmental structure to provide the guidance and the balance essential to strengthening our system of Government. The creation of a continuing Commission on Intergovernmental Relations, in my judgment, makes possible such machinery and provides the means for the necessary followthrough which is so important to the very objectives we seek."

Further explaining his support for an advisory commission, Representative OSTERTAG said:

Now, on the former Commission on Intergovernmental Relations, the so-called Kestnbaum Commission, we concluded exhaustive studies in a great many areas of intergovernmental relations. There was not agreement on all of our findings but one thing on which we did agree was that there was a definite need for continuous study and observation of intergovernmental relations in this country. Some felt that this could best be done from an office in the executive. Others felt that a broader independent commission would be more suitable for the purpose. So, while there may be various vehicles for carrying out this work, I feel that the bills which are being considered by this committee are a step in the right direction.

"The aims of the Commission which is proposed are very sound and worthy of attainment. I note that this is to be an advisory commission, but I would hope that this committee would consider more measures for translating the advice and recommendations of such an advisory commission into concrete results."

The committee heard from still another former member of the Kestnbaum Commission, former Gov. Sam H. Jones of Louisiana, who wrote:

"In my opinion there is no validity to the arguments that 'this is just another commission' and 'it has no power and can do nothing.' The wisest thing about our Federal system is that each level of government is, within limitations, autonomous within its own sphere. It is, therefore, within the nature of our system that no one level can completely dominate the other two levels. This legal situation makes an advisory commission the only method by which we can tackle and ultimately solve the accumulated and constantly increasing problems of our three-level system.

"And I might add here that, whilst the controversy between the advocates of States rights and those who lean toward national control is very real and highly publicized, there is another controversy that is just as determined. I refer to the battle that is now raging between the advocates of State control and those who sponsor wider latitude for municipal and county governments. This latter controversy is, in many respects, more difficult than the former because local governments are creatures of the State; while the States are not the creatures of the National Government. It is much more important, therefore, that there should be brought about some forum for the discussion of State-local problems than for the discussion of national-State problems.

"The proposed Advisory Commission on Intergovernmental Relations would do both."

Gov. Herschel C. Loveless, of Iowa, explained the need for an advisory commission in this way when he appeared before the joint committees:

"The refinement of the science of intergovernmental relations, I am firmly convinced, is an important key to the future success of Government under our Federal system. To compete with totalitarian nations, who command certain efficiencies, however repugnant their philosophy may be to us, we too must develop new methods of obtaining economy and efficiency in our democratic system. Studious efforts to improve coordination and eliminate duplications between the levels of government, both in regulatory functions and in meeting human needs, will I am convinced, do wonders toward obtaining these results.

"Of course, today, as heretofore in our democracy, our problem is a dual one. We do not propose to sacrifice any of our basic liberties under the Federal system in our zeal to make government work more efficiently. But, as I have stated earlier, I am convinced that the true prerogatives of State and local government can best be preserved by constant study and reevaluation of the appropriate roles of each level of government in the complicated pattern of intergovernmental relations.

"Additional studies performed by temporary commissions and ad hoc committees cannot do the job. The face of government changes, too rapidly. A permanent, impartial agency, equipped with the necessary resources, is required for this important work. I submit to you that the proposed Advisory Commission on Intergovernmental Relations is the logical answer."

Gov. G. Mennen Williams, who also testified in person in the joint hearings, said:

"The Advisory Commission would make a significant contribution, I think, if it were to review the areas of coordinate Federal and State responsibility with a view toward raising those unresolved questions of jurisdiction and responsibility that should be considered by both the Federal and State Governments. I am not suggesting any specific directions that either the Federal or State Governments should take but rather recommending that this important series of problems be given the kind of study that an Advisory Commission could provide.

* * * * *

"There is no question in my mind, however, that the whole range of Federal activity should be analyzed constantly with a view toward relieving it of those responsibilities that can be done better or just as well by the States. I suggest this because I feel that the Federal Government should be strengthened in its capacity to do those things which it alone can do. Specifically, I think this encompasses the crucial tasks of foreign relations, national security, and economic stability. * * * I have indicated what appear to me to be the major issues confronting the American Federal-State system. Study of these issues is the basic reason why I feel the proposed Advisory Commission on Intergovernmental Relations is desirable and should be established. Therefore, I urge favorable committee consideration for H.R. 6904 and recommend its quick enactment by the Congress."

Gov. William G. Stratton, of Illinois, wrote the committee that—

"In my opinion, the creation of such a permanent commission is timely and necessary.

"The Federal system of government which is so precious to all of us depends in es-

[2] H. Rept. 2533, 85th Cong., 2d sess., p. 39.

sence on cooperation and correlated activities of the various State governments and the Federal Government. With the explosive growth of population and urbanization we are now experiencing, it becomes imperative that the relationships among our governments must be harmonious.

"A permanent commission could serve as a clearinghouse for the various studies and investigations which are being made of the functions and responsibilities of our governments. In my opinion, such a commission would not overlap any of the work now being done, including that of the Joint Federal-State Action Committee in which the Governors' conference plays an important role."

Gov. Luther H. Hodges, of North Carolina, expressed his view of the Advisory Commission in this manner:

"From the beginning of my service as Governor of North Carolina, I have had many occasions to deal with vital questions affecting Federal-State relations. It is my present privilege to serve as a member of the Joint Federal-State Action Committee (an unofficial group of State and Federal officials), of which the U.S. Secretary of the Treasury and the Governor of Idaho are currently the cochairmen. In my capacity as Governor and in my capacity as a member of this Joint Federal-State Action Committee, I have become thoroughly convinced that there is a strong need for a continuing and officially recognized advisory agency to give concentrated attention to Federal-State problems.

"Special studies in this area such as was done by the Commission on Intergovernmental Relations are helpful and of course the special attention to the overall problem which has been given by the Intergovernmental Relations Subcommittee of the House Committee on Government Operations has made a great contribution to our understanding in this area. But what is needed is a continuing advisory agency which can take up specific selected problems, work out specific solutions, and provide adequate followup to see that proposed action on specific problems is given adequate consideration by the Federal Government and by the States."

Gov. Foster Furcolo, of Massachusetts, made the point that—

"It is important, moreover, that the present Federal grant-in-aid formulas be surveyed to determine whether they are equitable. It is desirable, too, to have some source of clear and accurate information as to the Federal grant program so that State officials of both the executive and legislative branches of government will have a clear understanding of Federal programs. Such an understanding is vital in the formulation of policy and the establishment and administration of programs within the State."

Senator Clifford P. Case, of New Jersey, took note in his statement of the effects of the growth of government that has taken place on all levels over the past few decades:

"The interrelation of Federal, State, and local governmental units brought about by this growth has in turn created problems of its own. Our Federal system has had to adjust in a manner undreamed of by our Founding Fathers. Since much of the expansion in government has been on an ad hoc basis, it is perhaps only natural that inefficiency and confusion have frequently accompanied this growth. But it is imperative, for the future, that efforts be made now to insure a more fruitful cooperation between the various levels of government. The proliferation of grant-in-aid programs alone demands continuing study and evaluation. And there are numerous areas of jurisdictional conflict which should receive more attention, particularly in relation to current growth trends.

"I am convinced that the establishment of a permanent Advisory Commission on Intergovernmental Relations would do much in this direction. It is a practical idea and one that could result in concrete suggestions for the improvement of our Federal system. By bringing together officials and experts from all levels of government, the proposed Commission can foster a spirit of cooperation and understanding which is so essential to a proper functioning of a Federal system, and which in turn could pave the way for significant improvements in the administration of cooperative programs.

"More than ever, we need a group of this nature to study the continuing impact of a growing society on a system of government that was originally established for a rural nation of only 3 million people. Thanks to the flexibility of our Constitution, we have been able to adjust to the enormous changes which have taken place since that time. Today, however, we live in an age in which the consequences of change are much more immediate and significant than they were 170 years ago. If we value the basic outlines of our Federal system, with its balance of National and State jurisdictions, we must pay more constant attention to the problems associated with intergovernmental relations.

"I believe that the proposed Commission would prove a valuable and necessary service for the betterment of our system of government."

Representative Chester W. Bowles of Connecticut pointed out the urgency of improving communication between the levels of government:

"The basic problem, as both the Kestnbaum Commission and this subcommittee's report have pointed out, is one of communications. It seems impossible in this day and age that a coordinated, effective means of sharing information and ideas between the Federal, State, and local governments does not exist, but unfortunately this is the case.

"As a former Governor of Connecticut, who has faced the confusion and inconsistencies of the present situation from a State capitol, I feel very strongly that the proposed Advisory Commission on Intergovernmental Relations is a constructive, forward step which is long overdue, and I sincerely hope that favorable action on this proposal can be taken soon."

Senator Jacob K. Javits, of New York, emphasized the pressing need for systematic and continuous attention to Federal-State relations:

"S. 2026, which would establish an Advisory Commission on Intergovernmental Relations, deals with a problem which has perennially plagued our Federal system, and which has become more pervasive and more acute with the increasing role of the Federal Government in our society. It is high time that the entire problem of relations between the States and the Federal Government be given systematic and sustained attention on a broad basis, since piecemeal attack on the problems of conflict of jurisdiction and administration between them has proved inadequate."

Senator Estes Kefauver, of Tennessee, pointed out the value of the Commission to the committees of Congress:

"In its broadest sense, S. 2026 would, I believe, help tremendously in bringing about a better understanding of mutual problems among officials of local, State, and Federal Governments.

"Such an intergovernmental advisory commission as S. 2026 proposes would also be of great value to the various committees of Congress in providing a broad perspective of the total picture of the programs which now originate in many committees and are directed to many different jurisdictions. Coordination of tax resources is still another advantage that can be brought about through the functions of the proposed agency."

Representative Silvio O. Conte, of Massachusetts, noted that the Commission would be of particular value to State legislatures:

"As a former State legislator, having served for 8 years in the Massachusetts State Senate, I am particularly aware of the desirability of bringing the legislative branch of State government into closer contact with Federal officials in connection with intergovernmental matters. I note with satisfaction that the Advisory Commission would facilitate this objective by including State legislative representation in its membership. Our State legislatures are desperately in need of more information on the many Federal activities that require State and local cooperation. Moreover, I believe their interest in these intergovernmental activities should be stimulated well in advance of the point at which the Congress takes legislative action which, for all practical purposes, necessitates State and local financial and administrative participation. A permanent Advisory Committee should provide an excellent educational medium for developing greater State legislative interest in this field. Such a development, I believe, would be extremely helpful to the legislative committees of the Congress."

Senator Winston L. Prouty, of Vermont, stressed that the Commission would not interfere with the prerogatives of State and local government:

"I cosponsored the Senate bill under consideration only after satisfying myself that such a commission as the bill visualizes offers no threat of interference with State and local units of government. The people of Vermont have always placed a high value on their rights and prerogatives under local units of government. They like to make their own plans and decisions and they have not usually gone out of their way to welcome what they consider outside interference, even though they may know it is intended to be helpful.

"I am convinced that the proposed Advisory Commission on Intergovernmental Relations will not constitute interference. On the contrary, it should help protect the legitimate interests and prerogatives of State and local governmental units, should help eliminate overlapping of operations, provide useful information, and increase efficiency.

"In addition, such a commission should prove most useful to the Federal Government through assisting Congress in assessing local opinion on intergovernmental problems, through smoothing out relationships between Federal agencies and departments and local governments, and in keeping open the channels of communication among the various levels of government."

Representative Byron L. Johnson, of Colorado, pointed out several areas where intergovernmental policies tend to conflict:

"Let me speak first to the powers and duties of the proposed Commission. As the members of the committee know very well, there are a number of areas where Federal, State, and local interests operate less than harmoniously. First, there is, for example, the question of the right of each level of government to tax property owned by another unit and level of government.

"Second, there is the question as to whether interest on the debt obligations of one level of government can properly be taxed by another as part of income taxes.

"Third, there is the question as to whether the payments in lieu of taxes now being made by some Federal agency are adequate and properly related to the impact

of such Federal property upon local taxing jurisdictions.

* * * * *

"Fourth, there is the question of the reasonableness of the shared receipts and revenues on certain public lands. * * *

* * * * *

"Fifth, there are questions as to whether or not certain taxes act as trade barriers, contrary to the constitutional intent.

"Sixth, there is a very sensitive question of the rights of several States to tax the same property or income, because the Federal courts have taken a very permissive attitude toward multiple and overlapping State taxation. Congress and the Federal Government could do much under the Constitution to accomplish substantial uniformity in State laws with great benefit to American businessmen in simplifying their tax compliance. Such improvements need not materially reduce State revenues but should certainly simplify tax administration and enforcement.

"One of the hidden areas in public finance is our lack of knowledge of the cost of compliance upon taxpayers in filling out the thousands of forms that they are required to fill out for the thousands of taxing jurisdictions with which the larger corporations must deal. Many taxpayers are plagued by the inconsistencies and complexities of the various tax jurisdictions having power to tax them.

"Now, these questions will never be resolved if we wait for neighboring States to work out suitable answers. They might be resolved by having a Federal commission conducting continuing research, issuing publications, and holding conferences as background for appropriate changes in law at each level.

"Finally, there is a question of grants-in-aid, which is specifically provided for by H.R. 6904."

Mayor Frank P. Zeidler, of Milwaukee, representing the U.S. Conference of Mayors, described the need for an advisory commission in these terms:

"Bills H.R. 6904 and S. 2026, I believe, would remedy this lack of formal assembly to gather information from all levels of government in order to adjust the difficulties which may exist between these levels. It would also remedy the lack of sense of direction which the Federal, State, and local governments have as to where each one is going with respect to each other. It will provide an avenue for channeling the best technical information and most comprehensive knowledge that is now possessed by experts in the United States in the science of government that this knowledge may be able to improve the inner workings of government in the United States."

Mayor Gordon S. Clinton, of Seattle, testifying for the American Municipal Association, stated that—"because the Commission proposed recognizes the need for equitable, responsible, and knowledgeable representation on the part of all levels of government * * * we feel that the conclusions reached as a result of its deliberations will enjoy considerable acceptance on the part of all levels of government * * *.

* * * * *

"I am certain that we can effect better intergovernmental relationships, that we can encourage and promote realinement of functional responsibilities at various levels of government, that we can do some within the broad framework of government laid down by our Constitution. And, in so doing, be secure in the knowledge that our democratic process and individual freedoms need never be violated in the course of our work."

Mr. Saul I. Stern, chairman of the Montgomery County chapter of the Maryland Municipal League, expressed the thinking of a public official familiar with the problems of small urban communities:

"I believe that those of you who have been in contact with State, county, and municipal officials can agree that the vast majority of these elective and appointive officials are very dedicated and devoted public servants. I believe a great many of the problems, a great part of the inaction, arises from the fact that these particular officials are confused, and they have no course or direction because they are truly bewildered by the complexities of our population and physical growth. And of course all of us who are public officials are staggered by the spiraling costs of government. We wonder where the dollars are going to come from to provide the increased demands of service which our population is insisting upon. And I think that if this Commission is set up—and I am most hopeful that it will be—and if it sits down to determine the roles, functions, duties, and services that the various levels of government should perform in light of these constantly changing conditions imposed by growth, we will have made a real step forward to the solution of the financial as well as a good many of our other problems.

"I think we need to have representatives of the Federal Government and representatives of the State, county, and municipal governments sitting down and discussing these problems together. We need, however, first of all to determine what our common problems are. * * *

* * * * *

If our Federal system is to be workable, if it is to be vital, and if it is to be continued on a strong and firm basis, then we must have this sort of study. But we must have survival of all systems of government. It is my firm belief that as long as people participate in government at all levels we will have a very strong, vibrant, and a really meaningful democracy. And I am most hopeful that the Commission on Intergovernmental Relations will be set up on a continuing basis. I think it should be established now and should be placed on a permanent basis."

NATURE OF COMMISSION

The committee views the Advisory Commission as a political innovation—a new type of organization designed especially to cope with the changing problems encountered in our Federal form of government. It will be a genuine interlevel body, not an agency dominated or controlled by any one level of government.

In providing for the appointment of Commission members, the committee has sought to assure the selection of persons possessing special knowledge and qualifications in this field. Thus, the committee favors the participation of the designated organizations in the selection of State and local members since these organizations are well equipped to recommend outstanding individuals from their respective levels of government. However, the committee also favors the appointment of members from panels as proposed in H.R. 6904, as amended, because it believes the President is in the best position to weigh such considerations as the geographic areas and the type of communities represented so as to produce a well-balanced advisory body.

Similarly, the committee believes that the President is best situated to designate the Chairman and Vice Chairman, who should possess outstanding qualifications for these assignments and a reputation for objectivity which will make them generally acceptable to all levels of government.

The committee studied two other proposals for the appointment of Commission members. It was proposed, on the one hand, that the State and local organizations directly appoint representatives to the Commission, and, on the other hand, that the selection of members be left completely to the discretion of the President. Neither of these proposals is believed as desirable as the procedure recommended by the committee.

It is the committee's intent that the designated organizations will take geographic considerations into account in selecting the panels. Further, the committee is confident that the President and these organizations will work together for the purpose of achieving an objective and geographically balanced body.

It is the committee's expectation that members will come to the Commission with open minds and with the intention of working toward the ultimate goal of responsible and effective government at all levels of our Federal system. In this connection, the committee also believes that the members will not regard themselves as primarily representatives of any particular group, level of government, or geographic area for the advancement of a special point of view. It is intended that the Commission will not urge a Federal solution simply because Federal action appears the easiest course. It is rather intended that it will encourage the assumption of responsibility by the appropriate level or levels of government with respect to any given problem.

It is the committee's expectation that the Commission will establish working subcommittees which will give intensive and continuing study to important problems of concern to the Commission as a whole.

The committee is hopeful that the Commission will function as a coordinating center for the study of intergovernmental relations and will encourage and stimulate attention to the problems in this field not only on the part of government but by the universities and private foundations as well.

COOPERATION OF THE STATES

Consideration was given to the States contributing a portion of the Commission's operating expenses. While the committee believes joint Federal-State financial support is desirable in principle, considerable doubt has been raised as to the practicability of such an arrangement. In order to avoid handicapping the Commission, the committee believes it advisable that the Commission's operating expenses be paid for the present wholly from Federal funds.

However, the committee is of the opinion that the States should and will wish to contribute indirectly to the Commission's support by furnishing staff assistance to the Commission and to its working committees.

It is expected that the State and local governments, collectively through their respective organizations, and individually where feasible, will cooperate actively with the Commission in the collection and analysis of State and local research data and by the assignment, when needed, of appropriate personnel to assist in the conduct of specific research projects.

CONCLUSION

Upon recommendation of the Intergovernmental Relations Subcommittee, the full committee favorably reports H.R. 6904, with amendments, to establish an Advisory Commission on Intergovernmental Relations.

The committee recognizes that the particular organizational features provided by this bill may require adjustment from time to time in response to experience and changing conditions. For the present, however, the committee is satisfied that the bill, as

amended, represents a sound and carefully planned method of accomplishing the important objectives intended for the Commission.

The committee adopted five principal amendments of H.R. 6904 to incorporate recommendations made by witnesses in the joint hearings and by the Director of the Bureau of the Budget. These amendments are: (1) An elaboration of the declaration of purpose to clarify and make more explicit the breadth of the Commission's responsibilities (sec. 2(6), (7)); (2) enlargement of the membership of the Commission from 24 to 25 members, to provide greater representation for county government (sec. 3(a)); (3) enlargement of the size of the panels to be submitted to the President by the several State and local organizations for the appointment of Commission members, in order to afford the President greater flexibility in the appointments (sec. 3 (a), (4), (5), (6), (7)); (4) increase the number of members from county government from one to two (sec. 3 (a), (7)); (5) provision for designation of the Chairman and Vice Chairman of the Commission by the President from among members of the Commission (sec. 4(b)).

In addition, the committee adopted a number of technical perfecting amendments.

ADDITIONAL VIEWS OF HON. CLARE E. HOFFMAN

H.R. 6904 is an outgrowth of the 30th report by the Committee on Government Operations in the 85th Congress. Among the findings of that report—a report in which I concurred—was one to the effect that there was generally favorable acceptance throughout the Nation of the grant-in-aid principle and most existing grant programs.

However, throughout the hearings upon which the report was based, it became apparent that the tangled web of intergovernmental relationships, in a complex which encompasses echelons ranging from the local to the national, was sorely in need of continuing review and coordination.

While I am basically opposed to the Federal Government continually increasing its authority and activities, especially those which should and can be performed by the States and the municipalities, inasmuch as that tendency will continue, we certainly must seek means to make the spending and the controls as efficient and economical as possible.

Perhaps the creation of a commission such as that provided for in the bill will tend to bring about those objectives—that is, less spending, less waste, greater efficiency.

CLARE E. HOFFMAN.

Analysis of composition of advisory commission

25 members	How appointed	Political affiliation
3 Representatives	Speaker of House	2 majority, 1 minority.
3 Senators	President of Senate	Do.
3 officers of executive branch	President	None specified.
3 private citizens	do	Without regard to political affiliation.
4 Governors	President from panel of at least 8 submitted by Governors' Conference.	Not more than 2 from any 1 political party.
3 State legislators [1]	President from panel of at least 6 submitted by Board of Managers of Council of State Governments.	Not more than 2 from any 1 political party.
4 mayors [1]	President from panel of at least 8 submitted jointly by American Municipal Association and U.S. Conference of Mayors (at least 2 from cities under 500,000).	Not more than 2 from any 1 political party.
2 elected county officers [1]	President from panel of at least 4 submitted by National Association of County Officials.	Not more than 1 from any 1 political party.

[1] Not more than 1 from any 1 State.

CHRONOLOGY OF EVENTS CONNECTED WITH H.R. 6904

August 1955: Kestnbaum Commission report referred to subcommittee.

December 1955: Questionnaire on intergovernmental relations sent to State and local governments.

January 1956: Questionnaire sent to all Federal departments and agencies.

August 1956: Staff report on replies from Federal agencies to questionnaire.

June 1957: Replies from State and local governments to questionnaire (sixth report by committee; H. Rept. No. 575).

July 29–31, 1957: Hearings for planning regional hearings.

September 30–December 11, 1957: Regional hearings (Boston, New York, Chicago, Kansas City, Denver, San Francisco, New Orleans, Raleigh).

November 21–22, 1957: Hearing on Dade County (Fla.) metropolitan government.

February 18, 1958: Hearing, Joint Federal-State Action Committee.

February 24–25, 1958: Hearings, nongovernmental organizations and individuals.

March 26–27; April 2, 30; May 7–8, and June 19, 1958: Hearings, Federal departments and agencies.

August 8, 1958: Thirtieth report by Committee on Government Operations (H.R. 2633), "Federal Grants-in-Aid."

May 6, 1959: H.R. 6904 introduced by Representative FOUNTAIN and H.R. 6905 by Representative DWYER (after informal discussion with Governors and municipal and county organizations).

June 16, 17, 19, and 22, 1959: Joint hearings held by Subcommittee and Senate Committee on Government Operations on H.R. 6904, H.R. 6905, and S. 2026. (Testimony invited by letter from every Member of House, every Governor, all members of State legislatures who testified in regional hearings, Governors' Conference, American Municipal Association, U.S. Conference of Mayors, and the National Association of County Officials. All other interested organizations and persons invited to testify or submit statements through press release printed in CONGRESSIONAL RECORD.)

July 22, 1959: H.R. 6904 with amendments unanimously reported by subcommittee.

July 31, 1959: H.R. 6904 with amendments unanimously reported by Committee on Government Operations.

August 5, 1959: Enactment of H.R. 6904 and S. 2026 urged by unanimous resolution adopted by annual Governors' Conference (San Juan, P.R.). (Similar resolutions adopted earlier by American Municipal Association, U.S. Conference of Mayors, National Association of County Officials, Massachusetts State Senate, etc.).

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. FOUNTAIN. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Did the Hoover Commission recommend this type of commission be established?

Mr. FOUNTAIN. The first Hoover Commission did, 10 years ago.

Mr. MEADER. Mr. Speaker, I yield 5 minutes to the gentlewoman from New Jersey [Mrs. DWYER].

Mrs. DWYER. Mr. Speaker, it is a pleasure to associate myself with the remarks of the gentleman from North Carolina, the chairman of the Subcommittee on Intergovernmental Relations, in support of the bill (H.R. 6904) to create a permanent, bipartisan Advisory Commission on Intergovernmental Relations.

The record should show that the legislation has had broad bipartisan backing from its inception as a principal recommendation in the report of the subcommittee last year. The bill before the House today is the product of identical bills introduced together by the subcommittee chairman and the ranking minority member. The joint House-Senate hearings were also conducted in this bipartisan spirit, and the amendments to the bill were discussed together and unanimously agreed upon by the sponsor.

The idea of an Advisory Commission on Intergovernmental Relations was recommended 10 years ago by the first Hoover Commission, and the subsequent experience of the Kestnbaum Commission on Intergovernmental Relations—which was a temporary study group—confirmed the need for a continuing body in this increasingly complex field.

Mr. Kestnbaum, a special advisor to the President on problems of intergovernmental relations, stated his view of this legislation as follows:

I should like to go on record as saying that the idea of a commission that will give the President and the Congress the benefit of careful incisive research and examination of the many problems that face us in this area is sound, and that it can fulfill a very important and useful function.

From his lengthy experience in government, Governor Stratton, of Illinois, endorsed the Advisory Comission as, and I quote, "timely and necessary." He went on to say this:

The Federal system of government which is so precious to all of us depends in essence on cooperation and correlated activities of the various State governments and the Federal Government. With the explosive growth of population and urbanization we are now experiencing, it becomes imperative that the relationship among our governments must be harmonious.

These informed views are typical of those expressed at the hearings. Although testimony was received from persons of all political persuasions and from varied economic and geographical backgrounds, support for an Advisory Commission was virtually unanimous.

The Advisory Commission represents a modest but important attempt to increase a sense of responsibility for politics, for self-government, in the field of Federal-State-local relations. We believe it will help make our Federal system of government a more effective instrument of government in times that are infinitely more complex than when our forefathers established it.

Much has been made of the fact that our political institutions have not kept abreast of the earth-shaking advances in science and engineering, advances that

have created almost insoluble problems along with the benefits they have made possible. These problems—of transportation and the use of natural resources, for instance, and the accompanying fiscal and social implications—are today plaguing our people at every level of government. These problems involve them all, they are interrelated with others. Yet, today, there is no existing machinery whereby such problems can be seen and understood in the perspective of Federal-State-local relations, the context in which they exist and in which they must be solved.

The Advisory Commission would help fill this gap in our political system. It would be composed of men and women who know what the problems are, who daily are faced with the lack of sufficient information, who understand—because they have been hampered by them—the barriers to necessary cooperation with other levels of government, and who have practical ideas of how best their own governments can be helped to do their essential work.

The Advisory Commission would be established neither to expand the use of Federal grant-in-aid programs nor to restrict them. Its purpose would be to improve them: by better planning based on hitherto unavailable information and data; by a wider, more timely exchange of information among affected governmental units; by more consistent definition of the purposes and limitations of grants-in-aid; by utilizing available experience to determine the most effective criteria, standards, and principles to govern the operation and discontinuance of specific grant programs.

It is generally accepted that the Federal grant method of cooperating with State and local governments has achieved a great deal of good.

The time has come to establish a continuing means whereby grants-in-aid can be made to accomplish their purposes with maximum effectiveness and efficiency and at minimum expense and interference.

This is an entirely new undertaking. No other agency of government resembles it. It is frankly experimental, but I believe it is well worth the effort we make for it. It will not cost much, and there is no danger that it will be tempted to grow and expand like so many bureaucracies have in the past because this will be an informing group, instead of one with administrative and action-type responsibilities.

A great deal of good, I think, can be expected from this project. It is really a matter of self-help, a means of allowing representatives from all levels of government to help work out their own problems and improve mutual understanding and cooperation.

(Mrs. DYWER asked and was given permission to revise and extend her remarks.)

Mr. MEADER. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, normally I would find myself in opposition to the establishment of any new bureau or commission. And I suspect I would be opposed to the establishment of this Commission had it not been for my having served on the subcommittee with the very able chairman, the gentleman from North Carolina, and the gentlewoman from New Jersey [Mrs. DWYER] in the 85th Congress. And may I take this opportunity to pay a special tribute to both of them for their diligence and untiring efforts in developing this legislation. The subcommittee has worked hard and long listening to witnesses from one end of the country to the other and this bill is the culmination of the subcommittee's efforts.

In my testimony before the subcommittee I dwelt on several facets of this legislation. One was the composition of the Commission, for I thought it very important particularly to those Members of this body who, like myself, have some very strong feelings relative to whether or not we think this should be a big, strong central government or whether we regard it more or less a loose confederation of States. And those of us who have the strong feelings about States rights would certainly be very interested in whom the President appoints to serve on this Commission. I am happy to note in the legislation that, as the chairman has pointed out, this is one Commission that certainly will not be another federally dominated Commission, for the while the President appoints six members, three from the executive branch and three at large, there are four Governors who serve, three State legislators, four mayors—incidentally two of them must come from cities whose population is less than 500,000—and two county officials. So in a sense, aside from the three members who would serve from this body and the three members who would serve from the other body, it is pretty evenly divided between Federal, State and local levels of government. I think that is very important.

When I testified before the subcommittee it was my considered opinion that there would be two principal problems with which the Commission would have to deal in this present day. One is the competition of revenues between the various levels of government and, two, our explosive population growth. I am happy to see again in the legislation that on page 3, paragraph (7), the original bill was amended to include the provision:

> (7) recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

I think this is a very important addition to the legislation.

Mr. Speaker, some might question our establishing a permanent advisory commission rather than one on a temporary basis. May I point out again, if I may, the example cited during the course of the hearings, relative to the deficiency of the highway trust fund. We find the President now proposing a tax increase the necessity for which was not foreseen or envisioned when the highway construction program was originally enacted. Now we see because of the authorized increased highway construction going on throughout the country the trust fund is deficient. How much better it would have been if this commission had been organized so that the President could have called upon the mayors and Governors and county officials and asked for their advice relative to the further financing of this program, for here is where it seems to me the Federal Government is encroaching upon areas where the State and local governments have a primary call for revenue. I think this would be one specific example where the advisory commission might have been brought into play and might have given the President some good advice. Times are changing so rapidly that we cannot expect to keep up with the problems of intergovernmental relations unless there is a permanent commission in being that can be convened on short notice. I believe it can serve a very useful purpose although admittedly we must make certain that those serving on the commission do not stray from our intention that they "recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government."

Mr. MEADER. Mr. Speaker, as the gentleman from North Carolina stated, this bill, H.R. 6904, was reported unanimously by the Committee on Government Operations. However, there is one aspect of it with which I am not pleased, the fact that there is no termination date for the Commission. If the Commission is doing a useful job, its life, of course, can be extended. Despite that objection, I did not oppose the bill in committee.

But I want to call to the attention of the House another aspect of the situation. We have two Subcommittees on Government Operations which have handled legislation of this kind. One is the Subcommittee on Intergovernmental Relations and the other, a Subcommittee on Executive and Legislative Reorganization which reported out a week later a bill, H.R. 7465, to establish a Commission on Metropolitan Problems. Look at the purposes of these two commissions. No one can avoid coming to the conclusion that there is a conflict between them. The minority, the Republicans on the committee, with some aid from the other side, objected to our committee bringing two commissions to this House for approval at the same time.

Mr. Speaker, the Committee on Government Operations, as you know, is charged with the duty of studying the economy and efficiency of operations of the executive branch of the Government including elimination of duplication and waste. Yet this committee brings out bills to create two commissions to do the job of one.

I would have preferred that this bill was not before us under suspension of the rules. If it were open to an amend-

ment, we could say clearly that it is the duty of the Intergovernmental Relations Advisory Commission to study metropolitan problems. Certainly that is one of the fields in which the Federal Government, with the grant-in-aid programs does affect municipalities. I certainly hope when the other bill comes to the House we will have more judgment here than we did in the Committee on Government Operations, and that the House will not create two commissions where one can do the job.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. MEADER. I yield.

Mr. HARDY. I think the gentleman has made a valid point. Certainly the Commission created by this bill has the authority to go into this whole metropolitan problem. It might well make that a major function. Of course, the question of competent staff personnel is important in this as well as in other phases of the commission's responsibilities but surely adequate competent and experienced people can be found.

Mr. MEADER. I certainly think so. It would be worse if we allowed two commissions to operate in the same field simply because it very well might be that they would have conflicting views on what ought to be done. There either would be conflicts or the two commissions would have to establish liaison staffs and procedures to coordinate their activities and their views, all of which involves costly delay.

Mr. MEADER. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Speaker, I am surprised that this country has grown as great as it has without a commission to coordinate relations between the States, municipalities, and Federal Government.

Here you are embarking upon another expensive commission in government, and I am opposed to it.

With respect to the cost of this bill we have heard nothing so far as I know. I tried to listen to all of the debate, but I do not believe a word has been said or an estimate given of how much this Commission is going to cost. I note that on page 7 the bill states that the Commission shall have the power to appoint a staff director, and then on page 8 it states that no individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

That means the staff director will be paid $20,000 a year, and the staff director, in turn, can appoint and fix the compensation of the personnel. How many?

How expensive a commission is proposed to be set up here? We hear nothing. It could be anything. Then we get into the question of allowances and expenses—allowances for members of the Commission. How much? This is going to be a big Commission. Will some Member advise me whether the Commission members are to be paid $50 per diem, plus expense money, transportation, and so forth?

Mr. FOUNTAIN. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. FOUNTAIN. It is $50 per diem only for those few members of the Commission who are not employed as full-time salaried officers of Federal, State, and local governments.

Mr. GROSS. What kind of a contribution are the States going to make to this?

Mr. FOUNTAIN. I am glad the gentleman asked that question. I personally was one of those who felt that the States should contribute financially to the operation of this Commission, inasmuch as the States and their local governments would be represented. However, it was found that there is a practical problem in that in almost every State the legislature would have to provide a special appropriation for the Commission. Because of this difficulty, we decided not to insist upon State financial participation.

Mr. GROSS. That would not have been any injurious burden on the States if they were required to appropriate some money to help take care of this.

The U.S. Treasury is not exactly bottomless, you know.

Mr. FOUNTAIN. I quite agree with the gentleman.

I might read the gentleman a few pertinent paragraphs from page 15 of the committee's report on the bill:

> Consideration was given to the States contributing a portion of the Commission's operating expenses. While the committee believes joint Federal-State financial support is desirable in principle, considerable doubt has been raised as to the practicability of such an arrangement. In order to avoid handicapping the Commission, the committee believes it advisable that the Commission's operating expenses be paid for the present wholly from Federal funds.
>
> However, the committee is of the opinion that the States should and will wish to contribute indirectly to the Commission's support by furnishing staff assistance to the Commission and to its working committees.
>
> It is expected that the State and local governments, collectively through their respective organizations, and individually where feasible, will cooperate actively with the Commission in the collection and analysis of State and local research data and by the assignment, when needed, of appropriate personnel to assist in the conduct of specific research projects.

Instead of creating new commissions, Congress ought to be abolishing commissions.

Mr. FOUNTAIN. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. FOUNTAIN. Because of limitations of time I did not at the outset go into this, but I have made a very careful study of the possible cost. It is estimated that the total operating expense, excluding rent and the acquisition of permanent office equipment, would be approximately $179,000 a year. And my studies show that this amount would be adequate for a continuing commission of the type contemplated by this bill.

Mr. GROSS. I will say to the gentleman that I am opposed to this bill. I do not know whether there will be a record vote, but I want the record to show that I am opposed to it.

Mr. MEADER. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HOFFMAN].

(Mr. HOFFMAN of Michigan asked and was given permission to revise and extend his remarks.)

Mr. HOFFMAN of Michigan. Mr. Speaker, I think 1 minute will be enough. It is heartbreaking to disagree with members of my party, especially when there are only two of us, but I cannot go along with my brother from Iowa [Mr. GROSS] on this one. I am as opposed to this business of setting up a new commission with a lot of employees just as much as he is; nevertheless, it seems we will be forced to do something about the spending of billions of dollars. It will be another case of the commission we set up in 1947 and 1948 when we spent a lot of time and money trying to unify the various branches of the armed services. That is what the gentleman from Michigan [Mr. MEADER] tried to point out. That is, we are now trying to prevent the setting up of two instead of one new agency to check on certain activities. That is what we are trying to do today. I am opposed to even one but if the money is to be spent we certainly do not—as the gentleman from Michigan [Mr. MEADER] pointed out—need two outfits on the same job. If it were possible, I would be in favor of stopping the spending right here, but it is not possible. So instead of two groups working at it or two agencies or two commissions, I think we are lucky to get out of it with one.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Illinois.

Mr. MICHEL. May I ask the gentleman one question? Is it not true that under the provisions of the bill all elected public officials would be excluded from the per diem provisions? In other words, you have only 3 of the 25 who are selected by the President who would come under this provision. The rest of us, whether we be in the House or Senate or State officials would not be getting this kind of compensation.

Mr. FOUNTAIN. All employees, Federal, State and local, would be excluded.

The SPEAKER. The time of the gentleman from Michigan has expired.

Mr. FOUNTAIN. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Speaker, I was a member of the subcommittee which reported this bill out and I happened to also be a member of the subcommittee that considered the bill setting up the other commission that has been referred to. I was one who was very skeptical from the very beginning concerning the establishment of this commission, but after the Governors of many States, the city planners, and city officials came before the committee, I felt a good many of these questions that

are naturally in people's minds were adequately answered. I think certainly we have to make government work more efficiently, as expensive as it is today, and it seems to me the true prerogatives of State and local governments could best be served by a constant study and evaluation of their problems. I finally came to the conclusion that this would probably be money well spent rather than money wasted. At least I think we should try and see if that is the case. If it does not promote efficiency and justify the expectations of those who testified for it, appropriations can be stopped. I did have great apprehension concerning the fact that the President makes all the appointments under this bill. It is possible where the President of one party makes all the appointments to appoint members of the opposite party who happen to be the weakest among the nominees in order not to build up the strongest men in their own areas. But I have found no alternative that would be better, and I finally came to the conclusion that the method of selecting members is the best proposed. After carefully listening to several days of testimony, I came to the conclusion this bill should be passed and I urge its passage.

Mr. FOUNTAIN. Mr. Speaker, I have no further requests for time. I ask unanimous consent that the text of the report on the bill (Rept. No. 742) be placed in the RECORD at the conclusion of my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FOUNTAIN. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have 5 legislative days in which to extend their remarks in the RECORD on the bill now being considered.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MEADER. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. BARRY].

Mr. BARRY. Mr. Speaker, I rise in support of the pending legislation. This bill does seven things.

First, it brings together representatives of the Federal, State and local governments for consideration of common problems; second, provides a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation; third, gives critical attention to the conditions and controls involved in the administration of Federal grant programs; fourth, makes available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system; fifth, encourages discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation; sixth, recommends, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government; and seventh, recommends methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

Mr. Speaker, when President Eisenhower became the first Republican President in several decades, one of his first acts was the formation of a temporary commission which arose out of the recommendations of the Hoover Commission to do the very thing that this permanent commission we are now setting up is supposed to accomplish. Basically, this need has been made evident by the overlapping of functions in government, local, State and Federal. The establishment of the commission would go a long way to help clarify and to iron out functions of government to the betterment of the people of this Nation.

Mr. OSTERTAG. Mr. Speaker, will the gentleman yield?

Mr. BARRY. I yield to the gentleman from New York.

Mr. OSTERTAG. Mr. Speaker, H.R. 6904, a bill to establish an Advisory Commission on Intergovernmental Relations is designed to provide the machinery sorely needed at this time to coordinate the activities and responsibilities of the levels of government under our Federal system.

I want to take this opportunity to commend the Subcommittee on Intergovernmental Relations of the Government Operations Committee for their thorough handling of and sound approach to this problem. This is not a partisan issue, but rather a means for the consideration of the fundamental principles which have made this country great and strong.

Mr. Speaker, prior to my membership in the House of Representatives, I served 19 years in the Legislature of the State of New York. During that time, it was my privilege and honor to serve for 15 of those years as chairman of the New York Committee on Interstate Cooperation and as a member of the board of managers of the Council of State Governments. There has been and continues to be a great need to coordinate the States in order that they may meet the varying and many responsibilities of governments on the State and local level and there is equally a need to provide a better way to develop and solidify the intergovernmental relations so necessary today on a Federal-State basis.

I have often stated, Mr. Speaker, that if our Founding Fathers made an error in establishing the framework under which this great Republic of ours was to function, it was not one of commission but rather one of omission. By that I mean that no machinery was devised for the coordination and cooperation of the several levels of our Republic and Union of States.

I believe I am the only Member of the House who served as a member of the Commission on Intergovernmental Relations back in the years of 1954 and 1955. It was commonly known as the Kestnbaum Commission and I can tell you that it was a rewarding experience. In the letter of transmittal of the Commission's report to the President, Chairman Kestnbaum said in part:

> Many of the problems to which we have addresses ourselves have been with us since the founding of the Republic. They are likely to concern us for many years to come. No inquiry of this kind could possibly provide universally satisfactory answers to all of the difficult questions that are under discussion at any particular moment. We are hopeful that this report will be regarded as the beginning rather than the end of a contemprorary study of the subject of intergovernmental relations, and that it will stimulate all levels of government to examine their respective responsibilities in a proper balanced Federal system.

Mr. Speaker, there can be no doubt as to the continuing need for study, evaluation and balance in the intergovernmental relationship of our Government. Our Federal system is the greatest and oldest in the whole world but we must not be unmindful of the constant changes that are taking place. Transportation, communication, and the many other fields of development and growth have changed the picture immeasurably since the time this Republic was formed.

Mr. Speaker, in the Commission on Intergovernmental Relations Report, chapter 1 deals with the "Evolution of the American Federal System" and I commend it to each and every Member of the House. It deals with the very background which I believe makes the establishment of the advisory commission as proposed in the legislation before us so necessary.

With the tremendous growth in development and population in this country of ours, intergovernmental relations becomes more and more important to us and our cherished system. Within the past 10 years more than 12 million people have moved to suburban areas and it is estimated that our overall national population will exceed 200 million by the year 1970. Mr. Speaker, precise divisions of governmental activities need always to be considered in the light of varied and shifting circumstances; they need also to be viewed in the light of principles rooted in our history. This proposed Commission might well provide the guidance and balance essential to strengthening our system of government. There are many areas whereby relations can be improved, and a better balance between all levels maintained. The Commission could well provide guidance and lines of authority and responsibility in many fields. Yes, Mr. Speaker, within the constitutional limits of national and State powers, and in the light of nearly 170 years of practical experience, the Commission will be in a responsible role for providing the guidelines best calculated to sustain a workable basis for intergovernmental relations in the future.

(Mr. OSTERTAG and Mr. BERRY asked and were given permission to revise and extend their remarks.)

The SPEAKER. The question is on suspending the rules and passing the bill, H.R. 6904, as amended.

The question was taken; and on a division (demanded by Mr. FULTON) there were—ayes 91, noes 18.

Mr. FULTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 335, nays 31, not voting 68, as follows:

[Roll No. 134]

YEAS—335

Abbitt	Curtin	Holt
Abernethy	Curtis, Mo.	Holtzman
Addonizio	Daddario	Hosmer
Albert	Daniels	Huddleston
Alexander	Davis, Ga.	Hull
Alford	Davis, Tenn.	Ikard
Allen	Dawson	Irwin
Anderson, Mont.	Delaney	Jarman
	Dent	Jennings
Andrews	Denton	Jensen
Arends	Derounian	Johnson, Calif.
Ashley	Diggs	Johnson, Md.
Ashmore	Dixon	Johnson, Wis.
Aspinall	Dollinger	Jonas
Auchincloss	Donohue	Jones, Mo.
Avery	Dorn, N.Y.	Judd
Ayers	Dorn, S.C.	Karsten
Baker	Downing	Karth
Baldwin	Doyle	Kasem
Baring	Dulski	Kastenmeier
Barr	Durham	Kearns
Barry	Dwyer	Keith
Bass, N.H	Edmondson	Kelly
Bass, Tenn	Everett	Keogh
Bates	Evins	Kilday
Baumhart	Fallon	Kilgore
Becker	Farbstein	King, Calif.
Beckworth	Fascell	King, Utah
Belcher	Feighan	Kirwan
Bennett, Fla.	Fenton	Kitchin
Bennett, Mich.	Fisher	Knox
Blitch	Flood	Kowalski
Boggs	Flynn	Laird
Bolling	Flynt	Lane
Bonner	Fogarty	Langen
Bosch	Foley	Lankford
Bow	Forand	Lennon
Bowles	Ford	Lesinski
Boyle	Forrester	Levering
Brademas	Fountain	Libonati
Bray	Frazier	Lindsay
Breeding	Frelinghuysen	Loser
Brewster	Friedel	McCormack
Brooks, La.	Garmatz	McCulloch
Brooks, Tex.	Gary	McDonough
Broomfield	Gathings	McFall
Brown, Ga.	Gavin	McGinley
Brown, Mo.	Giaimo	McGovern
Brown, Ohio	Glenn	McIntire
Broyhill	Granahan	McMillan
Budge	Grant	Machrowicz
Burdick	Gray	Mack, Ill.
Burke, Ky.	Green, Oreg.	Mack, Wash.
Burke, Mass.	Griffin	Madden
Burleson	Griffiths	Magnuson
Bush	Gubser	Mahon
Byrne, Pa.	Hagen	Mailliard
Byrnes, Wis.	Haley	Marshall
Cannon	Halpern	Matthews
Carnahan	Hardy	May
Casey	Hargis	Meader
Cederberg	Harmon	Merrow
Chamberlain	Harris	Metcalf
Chelf	Harrison	Meyer
Chenoweth	Healey	Michel
Chiperfield	Hébert	Miller, Clem
Church	Hechler	Miller, George P.
Clark	Hemphill	
Coad	Henderson	Mills
Cohelan	Herlong	Minshall
Collier	Hiestand	Moeller
Colmer	Hoeven	Monagan
Conte	Hoffman, Ill.	Montoya
Cook	Hoffman, Mich.	Moore
Cooley	Hogan	Moorhead
Cramer	Holland	Morgan
Morris, N. Mex.	Rees, Kans.	Stubblefield
Morris, Okla.	Reuss	Sullivan
Moss	Rhodes, Ariz.	Teague, Calif.
Moulder	Rhodes, Pa.	Thomas
Multer	Riehlman	Thompson, N.J.
Murphy	Riley	Thompson, Tex.
Murray	Rivers, Alaska	Thomson, Wyo.
Natcher	Rivers, S.C.	Thornberry
Nelsen	Roberts	Toll
Nix	Robison	Tollefson
Norrell	Rogers, Colo.	Trimble
O'Brien, Ill.	Rogers, Fla.	Tuck
O'Brien, N.Y.	Rogers, Mass.	Udall
O'Hara, Ill.	Rostenkowski	Ullman
O'Hara, Mich.	Roush	Utt
O'Neill	Rutherford	Vanik
Oliver	St. George	Van Zandt
Ostertag	Santangelo	Vinson
Passman	Saund	Wainwright
Patman	Saylor	Wallhauser
Pelly	Schenck	Walter
Perkins	Schwengel	Wampler
Pfost	Scott	Weis
Philbin	Selden	Westland
Pirnie	Shelley	Whitener
Pillion	Sheppard	Whitten
Poage	Shipley	Widnall
Poff	Simpson, Ill.	Willis
Preston	Simpson, Pa.	Winstead
Price	Sisk	Wolf
Prokop	Slack	Wright
Pucinski	Smith, Iowa	Yates
Quie	Smith, Miss.	Young
Quigley	Smith, Va.	Zablocki
Rabaut	Spence	Zelenko
Rains	Springer	
Randall	Stratton	

NAYS—31

Adair	Fulton	Rogers, Tex.
Andersen, Minn.	George	Rooney
	Gross	Short
Berry	Johansen	Smith, Kans.
Betts	Lafore	Taber
Brock	Latta	Teague, Tex.
Cunningham	Milliken	Weaver
Dague	Mumma	Wharton
Devine	Norblad	Wier
Dingell	O'Konski	Younger
Dowdy	Ray	

NOT VOTING—68

Alger	Goodell	Morrison
Anfuso	Green, Pa.	Osmers
Bailey	Hall	Pilcher
Barden	Halleck	Porter
Barrett	Hays	Powell
Bentley	Hess	Reece, Tenn.
Blatnik	Holifield	Rodino
Boland	Horan	Roosevelt
Bolton	Jackson	Scherer
Boykin	Johnson, Colo.	Sikes
Buckley	Jones, Ala.	Siler
Cahill	Kee	Smith, Calif.
Canfield	Kilburn	Staggers
Carter	Kluczynski	Steed
Celler	Landrum	Taylor
Coffin	Lipscomb	Teller
Corbert	McDowell	Thompson, La.
Curtis, Mass.	McSween	Van Pelt
Derwinski	Macdonald	Watts
Dooley	Martin	Williams
Elliott	Mason	Wilson
Fino	Miller, N.Y.	Withrow
Gallagher	Mitchell	

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Hays with Mr. Halleck.
Mr. Buckley with Mr. Kilburn.
Mr. Anfuso with Mrs. Bolton.
Mr. Boykin with Mr. Cahill.
Mr. Johnson of Colorado with Mr. Taylor.
Mr. Staggers with Mr. Reece of Tennessee.
Mr. Blatnik with Mr. Osmers.
Mr. Kluczynski with Mr. Miller of New York.
Mr. Morrison with Mr. Lipscomb.
Mr. Thompson of Louisiana with Mr. Horan.
Mr. Powell with Mr. Fino.
Mr. Celler with Mr. Algers.
Mr. Porter with Mr. Scherer.
Mr. Gallagher with Mr. Siler.
Mr. Jones of Alabama with Mr. Withrow.
Mr. Barrett with Mr. Corbett.
Mr. McDowell with Mr. Bentley.
Mr. Williams with Mr. Smith of California.
Mr. Teller with Mr. Van Pelt.
Mr. Sikes with Mr. Martin.
Mr. Roosevelt with Mr. Jackson.
Mr. Rodino with Mr. Dooley.
Mr. Pilcher with Mr. Wilson.
Mr. Boland with Mr. Goodell.
Mr. Bailey with Mr. Mason.
Mr. Steed with Mr. Curtis of Massachusetts.
Mr. Elliott with Mr. Derwinski.
Mr. Coffin with Mr. Hess.
Mr. Macdonald with Mr. Canfield.

Messrs. FOUNTAIN, PELLY, and GAVIN changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AGUA CALIENTE (PALM SPRINGS) RESERVATION IN CALIFORNIA

Mr. HALEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8587) to provide for the equalization of allotments on the Agua Caliente (Palm Springs) Reservation in California, and for other purposes.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior (hereinafter called the "Secretary") is authorized and directed to do whatever is necessary and proper to equalize as nearly as possible the values of all allotments of land on the Agua Caliente (Palm Springs) Reservation in California in accordance with the provisions of this Act.

SEC. 2. Any member of the Agua Caliente Band (hereinafter called the "band") who is living on the date of the enactment of this Act and who has not received an allotment of land shall be given an allotment in accordance with the provisions of law existing prior to this Act. No further allotments of land shall thereafter be made to any other or future born members of the band, or to their heirs or devisees, except for the purpose of equalization. This prohibition against further allotments shall not be construed as a closing of the band's membership rolls.

SEC. 3. (a) The Secretary shall determine on the basis of the contract appraisals that were made in 1957 and 1958 (1) the value of all unallotted tribal land, and (2) the value of the allotment of each allottee who is living on the date of this Act, excluding the value of any improvements thereon. Where lands of a living allottee have been sold under the supervision of the Secretary, their value for the purpose of equalization shall be the amount received from such sale, excluding the value assigned to any improvements thereon. Where lands of a living allottee have been fee patented to and sold by the allottee, their value for the purpose of equalization shall be the appraised value of the lands, excluding improvements, as of the time of the sale, regardless of the amount received from the sale. The allotments of allottees who are not living on the date of this Act shall be excluded from the equalization program. All values so determined by the Secretary shall be final and conclusive for the purposes of this Act.

(b) In no event shall the following tribal lands be subject to allotment, and they shall henceforth be set apart and designated as tribal reserves for the benefit and use of the band:

Cemetery numbered 1, block 235, section 14, township 4 south, range 4 east.

Cemetery numbered 2, as now constituted pursuant to secretarial order, comprising approximately two acres.

Roman Catholic Church, as now constituted pursuant to secretarial order, comprising approximately two acres.

Mineral Springs, lots 3a, 4a, 13, and 14, section 14, township 4 south, range 4 east: *Provided,* That no distribution to member of the band of the net rents, profits, and other revenues derived from that portion of these lands which is designated as "parcel B" in the supplement dated September 8, 1958, to lease by and between the Agua Caliente Band of Mission Indians and Palm Springs Spa dated January 21, 1958, or of the net income derived from the investment of such net rents, profits, and other revenues or from the sale of said lands or of assets purchased with the net rents, profits, and other revenues aforesaid or with the net income from the investment thereof shall be made except to those enrolled members who are entitled to an equalization allotment or to a cash payment in satisfaction thereof under this Act or, in the case of such a member who died after the enactment of this Act, to those entitled to participate in his estate, and any such distribution shall be per capita to living enrolled members and per stirpes to participants in the estate of a deceased member.

San Andreas Canyon, west half southeast quarter, southeast quarter southeast quarter section 3, township 5 south, range 4 east.

Palm Canyon, south half and south half north half section 14, township 5 south, range 4 east; all section 24, township 5 south, range 4 east.

Tahquitz Canyon, southwest quarter section 22, township 4 south, range 4 east; north half section 28, township 4 south, range 4 east.

Murray Canyon, east half section 10, township 5 south, range 4 east.

(c) On the basis of such values, the Secretary shall determine the highest level of equalization that is feasible for the members of the band who are living at the time of this Act by allotting all of the unallotted tribal land, except the reserved areas listed in subsection (b) of this section, without regard to acreage limitations heretofore imposed by law. Such unallotted tribal land shall then be allotted to those members who have received allotments with a value that is less than the equalization figure deemed feasible in accordance with procedures prescribed by the Secretary. No selection of an allotment pursuant to such procedures shall create a vested right in the land until all selections authorized by this Act have been made, included in one schedule, and approved by the Secretary. Allotments thereafter made shall be subject to the same laws and regulations that apply to other trust allotments on the Agua Caliente Reservation.

(d) The unallotted portions of section 18, township 4 south, range 5 east, and section 12, township 4 south, range 4 east, that are in the municipal airport for the city of Palm Springs shall be subject to allotment as a part of the equalization program, subject to the following qualifications: If within thirty days after the date of this Act a majority of the adult members of the band who are eligible to vote agree, the Secretary may offer to sell such land to the city for its appraised value on the date of this Act, and the Secretary shall cause an independent appraisal thereof to be made by an appraiser he shall select who shall be approved jointly by the band and the city before proceeding with such appraisal, the costs for the appraisal to be shared by the band and the city; thereafter the Secretary shall review the completed appraisal and shall, if approved, then submit copies to both the band and the city for their approval which shall be either accepted or rejected in writing within thirty days; and if within three hundred and sixty-five days after joint acceptance of such appraisal by the band and the city, the city accepts the offer and tenders payments in full, the Secretary shall complete the sale, and any allottees who may have made or who may thereafter make an equalization selection from the lands sold to the city shall receive in lieu of the allotment selected his proportionate share of the proceeds of the sale.

SEC. 4. The Secretary shall request the appointment of a guardian of the estate of all minor allottees and for those adult allottees who in his judgment are in need of assistance in handling their affairs in accordance with applicable State laws before making any equalization allotment or payment to such persons.

SEC. 5. (a) The right to an equalization allotment or to a cash payment in lieu thereof pursuant to section 3, subsection (d), of this Act, shall be transferable by will or descent in the same manner as are trust payments under existing law and shall not be subject to State or Federal inheritance, estate, legacy, or succession taxes.

(b) A cash payment made in lieu of an equalization allotment pusuant to section 3, subsection (d), of this Act shall not be regarded as income or capital gain for purposes of Federal or State income taxation and shall not, as long as it remains in the form of cash or a bank deposit in the ownership of the allottee, be subject to taxation as personal property.

SEC. 6. (a) Equalization allotments made pursuant to this Act shall not be subject to assignment, sale, or hypothecation or to any attachment or levy for claims or debts created before or after the effective date of this Act, without the written approval of the Secretary, and any such assignment, sale, hypothecation, attachment, or levy that has not been so approved by the Secretary shall be absolutely null and void.

(b) No equalization allotment made pursuant to this Act, and no basic allotment made prior to this Act, shall be subject to an equitable charging lien or other charge or lien or enforced sale for any advantage or benefit which the allottee has received or will receive under or as a consequence of enactment of this Act, nor shall any lis pendens heretofore or hereafter filed upon such lands while in a restricted status be of any effect or constitute notice of any action. Whoever directly or indirectly accepts or receives any money or other form of compensation for legal services in connection with such restricted lands from any person who has not expressly employed him as his attorney shall be liable, in a civil action brought by the payor or his heirs or devisees or by the United States on his behalf, for twice the amount so accepted or received unless, prior to the time of acceptance or receipt of said compensation, the right to such compensation has been determined and the amount thereof fixed by a formal order of the Federal court having jurisdiction to make such order. Nothing herein provided shall be construed to prevent any attorney from petitioning the Federal court having jurisdiction to fix and determine the fees to which he is entitled and to pursue and enforce payment thereof in any lawful manner after the court has made such order.

SEC. 7. Allotments in accordance with the provisions of this Act shall be deemed complete and full equalization of allotments on the Agua Caliente Reservation.

SEC. 8. The band may, at any time it wishes to do so, organize a legal entity under the laws of the State of California and request the Secretary to transfer to such legal entity title to the lands in the reserves established by subsection 3(b) of this Act. The Secretary shall transfer an unrestricted title to such property if the organization of the legal entity and request for the transfer have been approved by a majority of the adult members of the band who are eligible to vote, and if in the judgment of the Secretary the legal entity is organized in a form and manner that is fair to all members of the band: *Provided, however,* That if the lands to which the provisio to the fourth item in subsection 3(b) of this Act is applicable are transferred to such an entity, they shall be held by it subject to the terms provided in said proviso, and the rights and duties therein set forth shall be preserved and reflected in any distribution of securities of, or other evidences of participation in, said entity.

The SPEAKER. Is a second demanded?

Mr. SAYLOR. Mr. Speaker, I demand a second.

Mr. HALEY. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HALEY. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. SAUND].

Mr. SAUND. Mr. Speaker, this bill will equalize the allotments of the Agua Caliente Tribe of Indians in Palm Springs, Calif., a tribe of 101 members who have holdings near and inside the city of Palm Springs.

In 1949, pursuant to a court order, the Secretary of the Interior allotted 47 acres to each one of the members of the tribe. The values of those allotments were very different. They varied from the highest value of $600,000 to the lowest of $72,000. There was court action after that, and the court ordered that the balance of the property owned by the Agua Caliente Tribe of Indians be distributed among the members of the tribe to equalize their allotments in value.

This bill intends to accomplish that purpose. The bill has the unanimous and enthusiastic support of all members of the Agua Caliente Tribe; it has the support of the city council of Palm Springs, and it is approved by the Department of the Interior.

(Mr. SAUND asked and was given permission to revise and extend his remarks.)

Mr. SAYLOR. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, this bill will settle a matter that has been pending since 1917. As near as the members of the committee know, this meets with the unanimous approval of all members of the tribe.

I urge that the House suspend the rules and pass this bill.

Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. BARRY].

Mr. BARRY. Mr. Speaker, I rise in support of this bill. Although I am from New York, I also have a home in this area in California. If I were to tell you that Palm Springs is a hodgepodge of geography, you would not believe it. You would be surprised to learn that there is a square mile of Indian land absolutely barren checkerboarded against another square mile fully developed, and this pattern is repeated.

Calendar No. 733

86TH CONGRESS
1ST SESSION

H. R. 6904

IN THE SENATE OF THE UNITED STATES

AUGUST 18, 1959

Received; read twice and ordered to be placed on the calendar

AN ACT

To establish an Advisory Commission on Intergovernmental Relations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, hereinafter referred to as the "Commission".

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest

cooperation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance of its duties, will—

(1) bring together representatives of the Federal, State, and local governments for the consideration of common problems;

(2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;

(3) give critical attention to the conditions and controls involved in the administration of Federal grant programs;

(4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;

(5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation;

(6) recommend, within the framework of the

Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government; and

(7) recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of twenty-five members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be Members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;

(4) Four appointed by the President from a panel of at least eight Governors submitted by the Governors' Conference;

(5) Three appointed by the President from a panel of at least six members of State legislative bodies sub-

mitted by the board of managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least eight mayors submitted jointly by the American Municipal Association and the United States Conference of Mayors;

(7) Two appointed by the President from a panel of at least four elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), and (6) of subsection (a), not more than two shall be from any one political party and of the members enumerated in paragraph (7) of subsection (a), not more than one shall be from any one political party; of each class of members enumerated in paragraphs (5), (6) and (7) of subsection (a), not more than one shall be from any one State; at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) The term of office of each member of the Commis-

sion shall be two years, but members shall be eligible for reappointment.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The President shall convene the Commission within ninety days following enactment of this Act at such time and place as he may designate for the Commission's initial meeting.

(b) The President shall designate a Chairman and a Vice Chairman from among members of the Commission.

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs 4, 5, 6, and 7 of sections 3 (a), each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least two names for each vacancy.

(d) Where any member ceases to serve in the official position from which originally appointed under section 3 (a), his place on the Commission shall be deemed to be vacant.

(e) Thirteen members of the Commission shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) to engage in such activities and to make such

studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act;

(2) to consider, on its own initiative, ways and means for fostering better relations between the levels of government;

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member authorized by the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or

Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of, and remove a staff director without regard to the civil service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil service laws and the Classification Act of 1949, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of, and remove such other personnel as he deems necessary

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals.

(e) Except as otherwise provided in this Act, persons in the employ of the Commission under subsections (c) and (d) (1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267),

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103),

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842).

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel expenses (or, in the alternative, a per diem in lieu of subsistence and mileage not to exceed the rates prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842), the Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compen-

sation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Passed the House of Representatives August 17, 1959.

Attest: RALPH R. ROBERTS,

Clerk.

Calendar No. 733

86TH CONGRESS
1ST SESSION

H. R. 6904

AN ACT

To establish an Advisory Commission on Intergovernmental Relations.

AUGUST 18, 1959

Received; read twice and ordered to be placed on the calendar

H. R. 6904

AN ACT

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE

(For Department Staff Only)

Issued Aug. 25, 1959
For actions of Aug. 24, 1959
86th-1st, No. 145

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HIGHLIGHTS: Senate passed bill to provide compensation under Soil Bank to producers for actions based on incorrect information; House committee reported similar bill. Sen. Church urged expansion of Public Law 480 program. Rep. McIntire introduced bill to establish revolving fund for REA loans.

SENATE

1. SOIL BANK. Passed without amendment S. 2457, to authorize the Secretary to compensate producers under the Soil Bank for actions based on erroneous information furnished by authorized representatives of the Secretary. p. 15385

2. FARM PROGRAM. Sen. Church criticized the administration's farm program, stated that "flexible price supports, expansion of markets, streamlined administration, freedom to plant, soil bank, and all" has been a "monumental failure", and urged expansion of Public Law 480 programs as a means of disposing of surplus commodities. pp. 15411-4

3. BANKING. Passed without amendment H. R. 8159, to amend the national banking laws to clarify or eliminate ambiguities, repeal obsolete provisions (including provisions for national agricultural credit corporations), etc. This bill will now be sent to the President. pp. 15398-9

Passed as reported H. R. 8160, to liberalize in several respects the limitations on borrowing and lending by national banks (see Digest 124 for a summary of the bill as passed by the House). Sen. Robertson explained that the only amendment of the Senate to the bill "would amend an existing provision which makes the limit on loans to one borrower 25 percent of capital and surplus instead of 10 percent, if the loan is in the form of notes secured by U. S. obligations. The amendment would delete the words 'in the form of notes,' so that obligations secured in this way would have the benefit of the 25 percent figure, instead of the usual 10 percent." pp. 15399-400

4. SCIENCE; RESEARCH. Passed without amendment H. R. 8284, to amend the National Science Foundation Act of 1950 so as to provide increased efficiency of operation and to clarify the Foundations's authority regarding grants, contracts, or fellowships, improved scientific training, etc. (pp. 15384-5) This bill will now be sent to the President. A similar bill, S. 2468, was indefinitely postponed.

5. MINERALS. Passed as reported S. 2181, to amend the Mineral Leasing Act of 1920, so as to modify oil, gas, coal, and certain other mineral leasing requirements and conditions. pp. 15386-8

6. WATER RESOURCES. Passed as reported S. 1257, to grant the consent and approval of Congress to the Wabash Valley Compact. pp. 15388-90

7. COLOR ADDITIVES. Agreed to the committee amendments to S. 2197, to amend the Federal Food, Drug, and Cosmetic Act so as to authorize the use of color additives in or on foods, drugs, and cosmetics in accordance with regulations prescribing conditions under which such additives may be safely used (pp. 15394-7). The "Daily Digest" states that the bill was passed as reported (p. D814).

8. CLAIMS. Passed as reported H. R. 6000, to amend title 28 of the U. S. Code so as to increase the limit for administrative settlement of claims against the U. S. under the tort claims procedure from $1000 to $2500 (as passed by the House the limit would have been increased to $2000). p. 15397

9. INTERGOVERNMENTAL RELATIONS; FREIGHT FORWARDERS. Passed over, at the request of Sen. Keating, H. R. 6904, to establish an Advisory Commission on Intergovernmental Relations (p. 15384) and H. R. 5067, to repeal Sec. 217 of the Merchant Marine Act of 1936, which section has been interpreted by some to mean that Government agencies are still required to use the services of freight forwarders for overseas shipments (p. 15386).

10. CONSERVATION. Sen. Neuberger commended Sen. Murray for his "outstanding leadership" in the field of conservation of natural resources. p. 15407

11. PERSONNEL. Sen. Gruening urged enactment of legislation to provide a health insurance program for retired Federal employees. p. 15376

80-mile journey to Ashton, Jackson Hole and points north as a sort of side trip. It was planned to continue routing passengers through the Tetons until the season ends.

As regards man-made structures within the park, only the rambling, somewhat doddering Old Faithful Inn suffered noticeable structural damage from Monday's quake. This in the main consisted of fractured water pipes and buckled plaster. Food and souvenirs in shops at the communities of Canyon Village Lake, Old Faithful, Mammoth Springs and Tower Junction were jarred from shelves.

STAFFS BUSY

Late-roaming "savages," the coliegians who staff lodges and hotels in Yellowstone, had a busy night of it Monday pouring coffee for guests who were shaken awake. At Old Faithful, where some drenched guests took hasty leave of rooms set awash by broken pipes, teenaged staff members joshed about "more steam and water in the rooms than at the geyser," but there was more discomfort than danger. Officials of the Yellowstone Park Co. closed the inn, but reopened a wing to accommodate some 350 guests on Wednesday.

John Q. Nichols, president of the Yellowstone Park Co., believes that vacationists can be readily accommodated at facilities which can be made available at Canyon Village and Lake. The damaged portion of Old Faithful Inn cannot be made serviceable speedily.

Park rangers and hostelry workers, not to mention scores of observant park vacationists, expressed quiet satisfaction at the way in which Yellowstone staff workers and most of the tourists met the situation. The shock, which rumbled across the Madison Plateau Monday night, while it failed to awaken a majority of visitors, was nonetheless severe. However, aside from the difficulties at Old Faithful Inn and some damage to park headquarters at Mammoth, both new and old structures in the park withstood the earth shocks admirably.

The admitted hazard in the park's elderly wooden hotels has always been fire, but the quake had no such aftermath. Equally important, despite the character of the terrain in an area underlaid with thermal basins, volcanic structures and considerable faulting all camp grounds and cabin areas proved well chosen. All are situated in comparatively flat open areas well away from any cliffs and mountain slopes, a tribute both to the builders of early Yellowstone installations and to National Park Service planners of recent years.

Last Monday's earthshock had hardly passed before park officials began checking its aftereffects upon Yellowstone's thermal features, which include 200 geysers and countless mud volcanoes, hot springs, pools, and terraces. Old Faithful proved to be spouting with accustomed regularity. Its eruption intervals, as usual, varied between 30 and 90 minutes, while averaging 63 minutes.

No damage has been reported by park scientists as regards thermal features, but they were greatly interested that Giant Geyser, an occasional performer for the past dozen years, has been "reactivated," at least temporarily, and is erupting almost continuously in the upper geyser basin.

PARK SERVICE PLANS

National Park Service officials, asserting early last week that the recreation area under their supervision was safe and accessible, announced that, with the cooperation of the Yellowstone Park Co. staffs, accommodations and meals would be offered in the Canyon Village area of the park until October 1, and in the Old Faithful area until October 31.

Among other Park Service plans for the future were the following:

At Mammoth the store and service station remain open the year around, with cottage, hotel, and coffeeshop service available until September 21. At Old Faithful, cabins will be open until September 30, with cafeteria and campers' cabins operating until October 31. The lake lodge will close September 1 as originally scheduled, and the hotel September 8, with boats available until September 15. Fishing Bridge cabins and cafeteria will remain open until September 15.

Canyon Village Lodge will close October 11; camp cabins at West Thumb will close September 8, and Roosevelt Lodge shuts down August 30. The fishing season will extend until October 15, and camping will be permited at all park campgrounds until snow closes the roads. This occurs generally between October 15 and November. But late-season vacationists should remember that in this high-altitude region, winter togs and snow chains are an October must.

[From the New York Times, Aug. 24, 1959]

QUAKE IN MONTANA

Geologists know that earthquakes are caused by the breaking, or faulting, of strata of rock under immense pressure from within the earth. But they are not sure what causes the pressure.

In the United States, the center of earthquake activity is along the west coast from the foothills of the Rockies to the Pacific. One great source is the St. Andreas fault, whose movement caused the great San Francisco earthquake in 1906 and the lesser series of tremors in 1957. Another center of activity lies in the Rockies themselves.

Last Tuesday night at 11:30 p.m., mountain standard time, an earthquake of majestic proportions (7.5 on the Richter logarithmic scale used by seismologists, compared with 8.25 for the 1906 San Francisco quake) shook the Rocky Mountain area where Montana, Wyoming, and Idaho meet at the edge of Yellowstone National Park. It is an area that teems at this season with campers touring the Continental Divide.

Part of an 8,000-foot peak came crashing down into a camping area along Montana State Highway No. 1, which runs along Hebgen Lake. Part of the road disappeared under the waters of the lake. In other places it was blocked by landslides 200 to 300 feet high. Great fissures appeared in the earth. Hebgen Dam was damaged and villages below it were evacuated because of the fear of floods. Forestry rescue workers parachuted into the area and helicopters were used to bring out the injured. Aftertremors hampered the work.

There were nine known dead, but it was feared that many more might be buried under the landslides.

Mr. CHURCH. Mr. President, in connection with the remarks of the distinguished Senator from Montana, I ask unanimous consent to insert in the RECORD copies of telegrams which have been sent to the Honorable Hugo Aronson, Governor of Montana, and to the President of the United States, urging that a disaster area be declared, bearing the signatures of FRANK MOSS, FRANK CHURCH, JOSEPH O'MAHONEY, U.S. Senators; LEE METCALF, GRACIE PFOST, JOHN F. BALDWIN, JR., HAROLD JOHNSON, and THOMAS G. MORRIS, Members of the House of Representatives; and also copy of another telegram bearing the signature of JAMES E. MURRAY, U.S. Senator, relating to the same general subject, addressed to the Governor of Montana, the Honorable Hugo Aronson, at Helena, Mont.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

GOV. HUGO ARONSON,
Helena, Mont.:

After viewing terrible earthquake disaster in Montana we urge that you as Governor immediately exercise your responsibility to request President Eisenhower to declare the Madison River Valley and western part of Yellowstone Park as a disaster area. This action will put into operation several types of important Federal assistance essential to restoring vital public facilities, assisting people suffering damage to property and assure restoration of essential Federal forest and park roads and facilities. Your civil defense director, Hugh Potter, should know complete procedure to follow. Immediate action appears imperative and delay will only aggravate suffering from this catastrophic earthquake.

FRANK MOSS, FRANK CHURCH, JOSEPH C. O'MAHONEY, U.S. Senators; LEE METCALF, GRACIE PFOST, JOHN F. BALDWIN, JR., HAROLD (BIZ) JOHNSON, THOMAS G. MORRIS, Members of Congress.

THE PRESIDENT,
The White House,
Washington, D.C.
MR. LEO HOEGH,
Director, Federal Civil Defense Administration, Washington, D.C.:

At request of Chairman MURRAY, Senate Interior Committee, we visited earthquake area over weekend and found road and property damage high. Montana's Governor pleaded with us for Federal aid, however he has not yet asked you for disaster area designation. Joined by Montana Senators MURRAY and MANSFIELD we have urged him to seek Presidential declaration of disaster area immediately so that Federal programs for clearing roads and small business aid to restore home and business destruction can get underway. We hope that the Governor makes this request today and that you will give it immediate and favorable consideration.

FRANK MOSS,
FRANK CHURCH,
U.S. Senators.
LEE METCALF,
LEROY ANDERSON,
GRACIE PFOST,
JOHN BALDWIN,
HAROLD JOHNSON,
TOM MORRIS,
Members of Congress.

AUGUST 24, 1959.

HON. HUGO ARONSON,
Governor, Helena, Mont.:

Congressional group which toured earthquake area at my request has reported findings to me. President has clear cut authority to use available Federal funds for clearing road and small business loans to persons whose property was destroyed or damaged. But you must officially request President to make disaster area designation. I am disappointed that you have not yet acted. Senator MANSFIELD and I join congressional group which made inspection in urging you to request Presidential declaration of disaster area immediately.

JAMES E. MURRAY,
U.S. Senator.

MOTIONS TO RECONSIDER SENATE RESOLUTION 162 AND SENATE RESOLUTION 163, LAID ON THE TABLE

Mr. MANSFIELD. Mr. President, on August 21 the Senate passed Senate Resolution 162 and Senate Resolution 163.

At that time, although I had intended to do so, I failed to move that the votes

by which these resolutions were agreed to be reconsidered.

After talking with the minority leader and with the permission of the minority leader, I at this time ask unanimous consent to move that the vote by which Senate Resolution 162 was agreed to be reconsidered.

Mr. AIKEN. I move that the motion to reconsider be laid on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. I make the same motion as to Senate Resolution 163.

Mr. AIKEN. I move that that motion be laid on the table also.

The motion to lay on the table was agreed to.

COMMENT ON FINAL REPORT OF DRAPER COMMITTEE ON MUTUAL SECURITY PROGRAM

Mr. FULBRIGHT. Mr. President, the four reports of the Draper Committee on the mutual security program constitute another in the series of excellent challenging studies and reports which have been laid on President Eisenhower's desk in recent years. The Draper report is a worthy follower of the Gaither, Rockefeller, and other reports.

This series of reports to the President by able citizens have two things in common. All of them point out to the President the challenge to the United States posed by the threats from the Communist quarter and from the revolutions now in progress in underdeveloped lands. All these reports cry out for Executive leadership, greater effort on the part of the American people, and increased Federal expenditures for urgent needs. The four fields mainly referred to are repeated again in the Draper committee's letter to the President of August 17:

> Economic growth, level of scientific technology and education, military preparedness, and national purpose and morale.

The Draper report presents another opportunity to the President to carry out urgent recommendations. I hope that this time the President does not simply pass the report on to the Congress and the public for study. Some of us in Congress are fully discouraged already. We tried to give the President an adequate Development Loan Fund, the Foreign Relations Committee recommending $1 billion a year for 5 years in borrowing authority for that Fund. The Draper Committee agrees with the Foreign Relations Committee's recommendation. The efforts of the Committee on Foreign Relations and the Draper Committee failed because the President, for budgetary reasons alone, did not support an adequate financial structure for the Development Loan Fund. I despair of any further efforts in Congress along these lines without Executive backing. I suspect that the Draper Committee is discouraged, too, because over and over again in the committee's report recurs the phrase, "Proposals will require strong Executive support to become fully effective."

President Eisenhower has two more budgets to submit to the Congress. Only one of these will he have an opportunity to defend and implement. The President has no political gain or loss personally to anticipate since he cannot succeed himself. It is to be hoped that he will do what his advisers on the Draper Committee—and on the other committees whose reports I have referred to—recommend that he do. It is to be hoped that the President will call upon the people of the United States to support him in the programs necessary to stimulate more rapid economic growth in the United States, raise the level of scientific technology and other educational programs generally, provide adequate military preparedness for both big and little conflicts, and revitalize the national purpose and morale. The President should call for additional taxes, if necessary, to meet these needs. I am sure that the country will not fail to respond.

The Draper report shows excellent thought and thorough preparation. I have not had a chance to read the annexes yet, but the list of authors is impressive. Each reader of the Draper report will make his own list of conclusions which seem most significant. My own earmarking of pages is quite lengthy.

Time still remains even in this session of the Congress to do something toward the Draper Committee recommendations. I have in mind that an approach can be made toward the Draper Committee recommendation of "lending for economic development should be increased to at least $1 billion per year" by appropriating now the full amount authorized for the Development Loan Fund for the 2 years ahead. I hope that the members of the Appropriations Committee and all other Senators will read the Draper Committee report before action on the fiscal year 1960 mutual security program is completed in Congress.

REA BORROWERS SERVING COMMUNITIES OF OVER 1,500 POPULATION—SUPPLEMENT TO HEARINGS ON AGRICULTURAL APPROPRIATIONS FOR 1960

Mr. HAYDEN. Mr. President, during the hearings on H.R. 7175, the agricultural appropriation bill, 1960, there was a request made for information on the communities having a population in excess of 1,500 directly served by rural electrification electric borrowers. This information was not available in the Rural Electrification Administration.

On March 6 I requested the Secretary of Agriculture to obtain the requested information from the REA electric borrowers and to furnish it to the committee. The information was received subsequent to the hearings and has now been printed as a supplement to the hearings.

A copy of this supplement to the hearings has been mailed to each Member of Congress, to the Governors of each State, to the REA electric cooperatives, and to the available mailing list of private power companies. Additional copies are available for distribution upon request to the Committee on Appropriations.

CALL OF THE CALENDAR

Mr. BARTLETT. Mr. President, is the morning hour business now concluded?

THE PRESIDING OFFICER (Mr. CANNON in the chair). Is there further morning business? If not, morning business is concluded.

Pursuant to the unanimous-consent agreement, the Senate will proceed to the consideration of measures on the calendar to which there is no objection, commencing with Order No. 733.

BILLS PASSED OVER

The bill (H.R. 6904) to establish an Advisory Commission on Intergovernmental Relations was announced as next in order.

Mr. KEATING. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 6888) to amend section 4132 of the Revised Statutes, section 37 of the Merchant Marine Act, 1920, section 2 of the Shipping Act, 1916, and section 905(c) of the Merchant Marine Act, 1936, as amended was announced as next in order.

Mr. KEATING. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 8159) to amend the national banking laws to clarify or eliminate ambiguities, to repeal certain laws which have become obsolete, and for other purposes was announced as next in order.

Mr. BARTLETT. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H.R. 8160) to amend the lending and borrowing limitations applicable to national banks, to authorize the appointment of an additional Deputy Comptroller of the Currency, and for other purposes was announced as next in order.

Mr. BARTLETT. Over, as not being proper calendar business.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF NATIONAL SCIENCE FOUNDATION ACT OF 1950

The bill (S. 2468) to amend the National Science Foundation Act of 1950, as amended, and for other purposes was announced as next in order.

Mr. BARTLETT. Mr. President, there is on the calendar Order No. 739, House bill 8284, a companion bill, for the same purpose. I ask unanimous consent for the present consideration of the House bill.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H.R. 8284) to amend the National Science Foundation Act of 1950, as amended, and for other purposes.

Sept 10, 1959

SENATE

10. WHEAT. Passed as reported S. 2449, to extend the International Wheat Agreement Act of 1949 to cover the International Wheat Agreement, 1959. The committee report states that the amendments are "purely technical, making no change in substance." p. 17433

11. FEED; DISASTER RELIEF. Concurred in the House amendments to S. 2504, to authorize this Department to sell at current support prices CCC feed for livestock in emergency areas. This bill will now be sent to the President. pp. 17396-7

12. FARM LOANS. Agreed to the conference report on H. R. 7629, to extend for 2 years, until June 30, 1961, the authority of the Farmers' Home Administration to make real estate loans for refinancing farm debts, and providing that growing or recently harvested crops shall be included in computing a farmer's assets in making loans under this authority. This bill will now be sent to the President. p. 17397

13. PERSONNEL. Concurred in the House amendments to S. 1845, to grant this Department 10 additional Public Law 313 positions, increase the salaries of certain Administrative Assistant Secretaries (including this Department), and revise the basic rates of compensation of certain other Government positions (see Digest 157 for a summary of the provisions of the bill). This bill will now be sent to the President. pp. 17399-400

Concurred in the House amendments, with additional amendments, to S. 2162, to provide a health benefits program for Federal employees. Sen. Johnston explained that the Senate amendments "make it clear that the price figures established in the bill by the House apply to the purchase of health benefits and do not include auxiliary costs in addition to sharing the cost of the health benefits purchased" and "make clear that both Government and employees will share these auxiliary costs in addition to sharing the cost of the health benefits purchased" and provides for "a Director of Retirement and Insurance." pp. 17402-7

Passed as reported H. R. 4283, to amend the District of Columbia Income and Franchise Tax Act of 1947 so as to provide that certain officers of the executive branch of the Federal Government appointed by the President and confirmed by the Senate shall be exempt from the act. pp. 17431-2

14. WATER UTILIZATION. Passed without amendment S. 1605, to grant the consent of Congress to Kan. and Nebr. to negotiate and enter into a compact relating to the apportionment of the waters of the Big Blue River and its tributaries as they affect these States. p. 17374

15. PATENTS; PLANTS. Passed over, at the request of Sen. Prouty, S. 1447, to amend Sec. 161, title 35, U. S. Code, with respect to patents for plants so as to eliminate the exclusion of tuber propagated plants from being patented. p. 17375

16. MINERALS. Passed without amendment S. 1537, to establish a national mining and minerals policy. pp. 17382-3

Agreed to H. Con. Res. 177, requesting the President to have reviews made, and to report to Congress, on the more effective use of Government programs in increasing production and employment in critically depressed mining and mineral industries affecting public and other lands. p. 17383

17. WATER RESOURCES. Passed as reported S. 2628, to establish a U. S. Study Commission on the Development of the Rivers, Ports, and Drainage Basins (and intervening areas) of Alaska. pp. 17384-7

18. INSPECTION SERVICES; IMPORTS. Passed with amendments H. R. 8582, to authorize the construction of a toll bridge across the Rio Grande near Los Indios, Tex. (a similar bill S. 2531 was indefinitely postponed) (pp. 17388-92), and H. R. 8694, to authorize the construction of a toll bridge across the Rio Grande at or near Rio Grande City, Tex. (a similar bill S. 2590 was indefinitely postponed) (p. 17392). Both these bills would affect this Department's inspection service costs regarding imports.

19. MUTUAL SECURITY APPROPRIATION BILL, 1960. Passed over, at the request of Sen. Morse, this bill, H. R. 8385. p. 17392

20. FOREIGN AID. Passed without amendment S. 1697, to amend the Mutual Defense Assistance Control Act of 1951 so as to permit, if the President finds it to be in the national interest, U. S. aid to any foreign country except Russia and Communist-held areas of the Far East. pp. 17401-2

21. APPROPRIATIONS; CLAIMS. Received from the President a supplemental appropriation estimate to pay claims for damages and a judgment rendered against the U. S. in the amount of $323,629, together with such amount as may be necessary to pay indefinite interest (S.Doc. 56). p. 17342

22. INFLATION. Sen. Byrd, Va., termed inflation "our No. 1 domestic problem," and inserted two articles on the subject. pp. 17353-5

23. CONSERVATION CORPS. Sen. Morse inserted an article showing that Gov. Rockefeller favors youth camps for juveniles in New York and associated this position with the principle involved in S. 812, the Youth Conservation Corps bill, that has passed the Senate and is awaiting action in the House. pp. 17356-7

Sen. Randolph and others urged support in the House for the Youth Conservation Corps bill. p. 17362-3

24. FORESTRY. Sen. Moss praised the work of the Forest Service smokejumpers and others in alleviating the destructive results of the recent Montana earthquake. pp. 17359-60

25. CONGRESSIONAL RECESS. Sen. Smith urged support for her resolution to have Congress recess for a period each summer. pp. 17348-9

26. FISH AND WILDLIFE. Concurred in the House amendment to S. 1575, to authorize the appropriation of $2,565,000 to Interior to undertake continuing studies of the effects of insecticides, herbicides, fungicides, and other pesticides upon fish and wildlife. This bill will now be sent to the President. p. 17407

27. INTERGOVERNMENTAL RELATIONS. Passed with amendment H. R. 6904, to establish an Advisory Commission on Intergovernmental Relations, after substituting the language of a similar bill, S. 2026, as amended. S. 2026 was indefinitely postponed. Senate conferees were appointed. pp. 17408-17

28. SMALL BUSINESS. Passed with amendment H. R. 8599, to provide an additional $75 million for the Small Business Administration's revolving fund, after substituting the language of a similar bill, S. 2612, as amended. pp. 17427-8

like to pay tribute to the distinguished chairman of the full committee, Mr. JOHNSTON, and to all the hard-working members of our subcommittee, the junior Senator from Texas, Mr. YARBOROUGH; the junior Senator from North Carolina, Mr. JORDAN; the junior Senator from Kansas, Mr. CARLSON; and the junior Senator from Kentucky, Mr. MORTON. I also wish to thank the diligent members of the committee staff, who spent many hours in conference and in drafting the many fine details of this legislation. We have had the able assistance and cooperation of Government employee leaders, representatives of health carriers, and staff members of the Civil Service Commission.

Mr. President, this bill does not provide coverage for the presently retired career Federal civil servant or those who retire prior to June 30, 1960. On August 21 I introduced legislation to cover these devoted career retirees. I am pleased to report that our subcommittee expects to report our bill to the full committee next week and I hope that Senate passage of this legislation might be possible this year, so that health coverage for the presently retired can start on July 1, 1960, the same date that coverage will start for active employees and those who retire after June 30, 1960.

Mr. MONRONEY subsequently said: Mr. President, I desire to pay tribute to the outstanding work which was done in perfecting the bill to provide health insurance for all Federal employees. The passage of the bill today is a great tribute to the careful consideration which was given to the bill by the Subcommittee on Civil Service of the Committee on Post Office and Civil Service, under the chairmanship of the distinguished junior Senator from Oregon [Mr. NEUBERGER]. He and his subcommittee devoted many months of work to this very complex problem before reporting the bill to the full Committee on Post Office and Civil Service. I believe the bill will furnish lasting benefits to all the hundreds of thousands of Federal employees.

I pay tribute not only to the distinguished Senator from Oregon, but also to the chairman of the full committee, the distinguished Senator from South Carolina [Mr. JOHNSTON] and to the ranking minority member, the distinguished senior Senator from Kansas [Mr. CARLSON].

The bill is indeed landmark legislation. I believe it will prove to be acceptable to the employees of the Federal Government, because it gives them as genuine a sense of security against ailments, diseases, and illnesses as anything which Congress has provided in a decade.

Mr. President, I ask unanimous consent that my remarks may be printed following the remarks of the distinguished Senator from Oregon [Mr. NEUBERGER] when he spoke on the passage of the bill earlier today.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion of the Senator from South Carolina.

The motion was agreed to.

STUDIES OF THE EFFECTS OF CERTAIN INSECTICIDES UPON FISH AND WILDLIFE

Mr. MAGNUSON. Mr. President, I ask the Chair to lay before the Senate the amendment of the House of Representatives to Senate bill 1575.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1575) to amend the act of August 1, 1958, to authorize and direct the Secretary of the Interior to undertake continuing studies of the effects of insecticides, herbicides, fungicides, and other pesticides, upon fish and wildlife for the purpose of preventing losses of those invaluable natural resources, and for other purposes, which was, to strike out all after the enacting clause and insert:

That section 2 of the Act of August 1, 1958, providing for continuing studies of the effects of insecticides, herbicides, fungicides, and other pesticides, upon fish and wildlife for the purpose of preventing losses of those invaluable natural resources and for other purposes is amended to read as follows:

"SEC. 2. The sum of $2,565,000 per annum is hereby authorized to be appropriated to carry out the objectives of this Act."

Mr. MAGNUSON. Mr. President, the bill authorized the appropriation of such sums as might be necessary to carry out the purposes of the act, which authorized and directed the Secretary of the Interior to undertake continuing studies of the effects of insecticides, herbicides, fungicides, and other pesticides, upon fish and wildlife for the purpose of preventing losses of those invaluable natural resources. The House amended the bill by placing a limit on the authorization.

Mr. President, I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

ELIGIBILITY OF ALASKA AND HAWAII FOR PARTICIPATION IN DISTRIBUTION OF DISCRETIONARY FUNDS UNDER FEDERAL AIRPORT ACT

Mr. MAGNUSON. Mr. President, I ask the Presiding Officer to lay before the Senate a message from the House on the bill, S. 2208, to provide that Alaska and Hawaii be eligible for participation in the distribution of discretionary funds under section 6(b) of the Federal Airport Act.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2208) to provide that Alaska and Hawaii be eligible for participation in the distribution of discretionary funds under section 6(b) of the Federal Airport Act, which was, to strike out all after the enacting clause and insert:

That paragraph (2) of section 6(b) of the Federal Airport Act (49 U.S.C., sec. 1105(b)(2)) is amended to read as follows:

"(2) Such discretionary fund shall be available for such approved projects in the several States, Alaska, and Hawaii as the Administrator may deem most appropriate for carrying out the national airport plan, regardless of the location of such projects. The Administrator shall give consideration, in determining the projects for which such fund is to be so used, to the existing airport facilities in the several States, Alaska, and Hawaii, and to the need for or lack of development of airport facilities in the several States, Alaska, and Hawaii."

Mr. MAGNUSON. Mr. President, the amendment of the House is a technical amendment and is proposed solely for the purpose of conforming the proposed legislation to the style of existing law. It makes no substantive change in the language of the bill as passed by the Senate.

I move that the Senate concur in the House amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

RAILROAD TRACK MOTORCAR SAFETY LEGISLATION

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD a statement regarding H.R. 2487 and S. 1425, the railroad track motorcar safety bills.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MAGNUSON

There has come to my attention evidence of what seems to be an unusual campaign by railroad management to get railroad employees into signing management-prepared telegrams and other statements to their Senators and Representatives in Congress urging them to oppose H.R. 2487 and S. 1425, the railroad track motorcar safety bills sponsored by Chairman OREN HARRIS, of the House Interstate and Foreign Commerce Committee, and by myself and 18 other Senators of both parties.

This legislation would give the Interstate Commerce Commission authority which it now lacks to establish rules and regulations for the safe operation of railroad track motorcars or other self-propelled equipment used as vehicles for travel by railroad employees and also for transportation material used in the maintenance and installation of track signals. The death and injury rate to railroad workers using this kind of equipment has been rising steadily and, in my view, has reached serious proportions. I cannot agree with management's claim that such regulation of the use of these cars to prevent such accidents, with their mounting loss of property and losses to the railroads, as well as the needless deaths and maimings of railroad workers, would be an undue burden upon them because it would complicate their operations—we would not pass such a law—hearings are now being held.

Nevertheless, I recognize railroad management's right to express such a view, which they have had every opportunity to do at the hearings before the Senate Surface Transportation Subcommittee. While I recognize and respect this right, however, I can only regard as a matter of grave concern to every Member of this Congress, the present effort by some to create the appearance that railroad workers themselves oppose this legislation by forcing them to send management-prepared communications to Congress in the manner it has been done. Let me cite to you some specific documented examples which reveal the nature of this campaign to defeat this legislation which I think is needed to protect the lives and well-being of railroad workers to some degree by giving the ICC authority to make reasonable safety regulations only—not new jobs.

First, I want to place in the RECORD at this time a copy of a message teletyped by E. L. Mullennix, the roadmaster who hires and

fires the employees to whom his message is addressed. It reads as follows:

ATCHISON, *July 30, 1959.*

All Section Foremen Effingham to Concordia:

Each of you wire your U.S. Senator with the wire to read as follows: "Refer to Senate bill 1425: Missouri Pacific Railroad has progressively improved the safety and operation of motorcars until they now have adequate protection. Urge you to vote against this bill." Wire your Senator the message above in a.m. July 31, and send it Western Union. Pay for your Western Union and I will refund your money. Send Mr. C. L. Christy a copy of the Western Union message.

E. L. MULLENNIX.

This message speaks for itself. There is no request made here, nor no explanation of the issues involved. It seems to be simply an order to all the foremen under him to send a specific wire to their Senator, to pay for it out of their own pockets and then get a refund.

As my next example, I have in my possession a copy of a letter from an official of one of the railway brotherhoods. This letter, dated August 5, 1959, reads in part as follows:

"I am sorry to advise you of what happened yesterday. I went in my roadmaster's office as usual. He had received a stack of telegrams all filled out. He handed them to me, asked me to read and sign one. After reading one I gave them back and told him I could not sign it.

"It was in regard to Senator MAGNUSON'S bill, S. 1425, to amend the Interstate Commerce Act to provide protection for railroad employees by regulating the use of track motorcars and other self-propelled equipment.

My roadmaster went north on motorcar, his driver told me every man signed one of the telegrams. They were told that if the bill passed the company would have to put a conductor on every motorcar.

"Another roadmaster went south out of here. From what I can learn all of his foremans signed one. The message stated that we had sufficient motorcar protection."

This occurred on a railroad operating in the State of the cosponsor of this measure in the House. I am confident that Chairman HARRIS is not going to be intimated or misled by this, but since many other of the Members of the Senate and House no doubt have received telegrams produced in this way, I want the Congress to be fully aware of the nature of their origin so that they may be appraised accordingly.

As my final exhibit at this time I include here the text of a letter signed by two roadmasters and one B. & B. supervisor and addressed to all foremen under their supervision on the Union Pacific Railroad. This letter, also couched in the form or an order, reads as follows:

HINKLE, *August 12, 1959.*

To All Foreman:

Received the following mailgram from Mr. R. E. Haacke:

"There is now pending in Congress, Senate bill S. 1425, which would requlre all track motorcars to be operated by train orders under the jurisdiction of and in accordance with rules established by the Interstate Commerce Commission.

"All of us who are familiar with motorcar operations can readily see the tremendous complications involved in attempting to operate motorcars under positive train orders. In effect, this would make it very impractical or almost impossible to get from one point to the other on a motorcar as all of our gangs would be spending more of their time getting train orders and getting to and from points of work under these train orders than they would in actual performance of their work.

"The practical effect would probably be that we would have to discontinue the operation of all or most section gangs as they now exist and perform our track maintenance work with roving extra gangs, such as some other railroads are already doing.

"If this Senate bill 1425 is passed, we should bear in mind that none of our motorcar operators are presently qualified to take train orders, as would be necessary for them to do at outlying points under the requirements of this legislation. It is doubtful whether very many of our motorcar operators could pass the necessary examination on operating rules to permit them to copy train orders. As a result many of them would no doubt be disqualified if they could not pass this examination on the operating rules."

I am sure that each of you realize just what effect passage of this legislation would have on your jobs. I feel, therefore, that this matter should be brought to the attention of the men under your supervision so they can write to their Senators and Congressmen expressing opposition to Senate bill S. 1425.

Want each of you to discuss this matter with your men and urge them to write letters opposing passage of this bill.

W. H. COSGROVE.
O. E. RAYBURN.
C. M. WISEMILLER.

(The bill does not contemplate "train orders" as such. It prescribes that the ICC make reasonable rules. If it does it can be changed after hearings to emphasize only the safety measures.)

The pocket list of railroad officials shows that Mr. R. E. Haacke is resident engineer of the Union Pacific Railroad at Portland, Oreg. Remembering that all of these officials have the power to hire and fire their subordinates, the reference to loss of jobs if S. 1425 should become law clearly has some overtones here and, I am informed, has caused real concern among railroad employees on this division.

The question may naturally arise in the minds of many of you after getting telegrams of this kind as to whether or not the railroad workers really want this legislation. While on the surface it should be apparent that they would favor any step to cut down the horrible and steadily increasing loss of life and injuries which they are sustaining because of the present lack of such protection, I want the record to be absolutely clear on this point. Here is the text of a statement I have been authorized to insert on behalf of all of the 23 standard railway labor organizations affiliated with the Railway Labor Executives' Association:

"Railroad labor is strongly supporting S. 1425 and H.R. 2487 to give the Interstate Commerce Commission authority to establish rules and regulations for the safe operation of track motorcars and other self-propelled equipment. This legislation is needed promptly to check the alarming rise in the death and injury rate to railroad workers using this type of equipment. We urge its immediate enactment.

"A. E. LYON,
"Executive Secretary,
"Railway Labor Executives' Association."

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

The Senate resumed the consideration of the bill (S. 2026) to establish an Advisory Commission on Intergovernmental Relations.

Mr. JOHNSON of Texas. Mr. President, what is the pending business?

The PRESIDING OFFICER. The bill before the Senate is S. 2026, to establish an Advisory Commission on Intergovernmental Relations.

Mr. JOHNSON of Texas. Mr. President, I yield the floor, so that the Senator from Maine may make a statement.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. MUSKIE. Mr. President, H.R. 6904 is on the calendar, as Calendar No. 733.

The bill is designed to establish an Advisory Commission on Intergovernmental Relations. This proposed legislation is the culmination of a long history of efforts to study, evaluate, and improve the relationships among the various levels of government in our system.

The basic concept of the bill is that the Government of the United States operates under one system, functioning on three levels, and that the interrelationships of these three levels are of such importance to the effective functioning of the system as to justify and to require continuing attention by an agency representative of all three levels of government.

Mr. President, I will briefly describe the purposes of the Commission and its organization. The Commission would have seven basic purposes:

First. To bring together representatives of the Federal, State, and local governments for the consideration of common problems.

Second. To provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation.

Third. To give critical attention to the conditions and controls involved in the administration of Federal grant programs.

Fourth. To make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system.

Fifth. To encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation.

Sixth. To recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government.

Seventh. To recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

The Commission which would be created by the proposed legislation would be intergovernmental in its makeup. It would consist of 27 members, to be appointed as follows:

Six to be appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government.

Three to be appointed by the President of the Senate, who shall be Members of the Senate.

Three to be appointed by the Speaker of the House of Representatives, who shall be Members of the House.

Four to be appointed by the President from a panel of at least eight Governors submitted by the Governors' conference.

Three to be appointed by the President from a panel of at least six members of State legislative bodies submitted by the board of managers of the Council of State Governments.

Four to be appointed by the President from a panel of at least eight mayors submitted jointly by the American Municipal Association and the U.S. Conference of Mayors.

Four to be appointed by the President from a panel of at least eight elected county officers submitted by the National Association of County Officials.

The Commission is the sort of agency which has been recommended several times over recent years. The first Hoover Commission recommended the creation of a permanent agency of this kind.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the recommendations of the first Hoover Commission on this matter.

There being no objection, the recommendations were ordered to be printed in the RECORD, as follows:

FIRST HOOVER COMMISSION RECOMMENDATIONS ON FEDERAL-STATE RELATIONS

Recommendation No. 1: We recommend that the functions and activities of government be appraised to determine which can be most advantageously operated by the various levels of government, and which require joint policymaking, financing, and administration.

Recommendation No. 2: We recommend that our tax system—National, State, and local—be generally revised and that, in this revision, every possible effort be made to leave to the localities and the States adequate resources from which to raise revenue to meet the duties and responsibilities of local and State governments.

Recommendation No. 5: We recommend, in order to accomplish all of these things in an adequate and orderly manner, that a continuing agency on Federal-State relations be created with primary responsibility for study, information, and guidance in the field of Federal-State relations. (First Hoover Commission Report on Federal-State Relations, pp. 35–36.)

Mr. MUSKIE. In addition, Mr. President, the so-called Kestnbaum Commission, whose chairman was Meyer Kestnbaum, who testified in the joint committee hearings on the bill, recommended the creation of such a joint advisory commission. I ask unanimous consent that excerpts from Mr. Kestnbaum's remarks be printed in the RECORD at this point.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXTRACTS FROM STATEMENT OF HON. MEYER KESTNBAUM, FORMER CHAIRMAN, COMMISSION ON INTERGOVERNMENTAL RELATIONS, AND PRESENTLY A FEDERAL MEMBER OF THE JOINT FEDERAL-STATE ACTION COMMITTEE, AT JOINT HEARINGS ON HOUSE AND SENATE BILLS TO ESTABLISH AN ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS, ON JUNE 22, 1959

The bill which has been introduced addresses itself to what I regard as a most important objective, to give the President and the Congress the benefit of a continuing study of one of the most perplexing problems that our country faces; namely, the proper coordination of the activities of the various levels of government in order to achieve our national objectives.

Our Federal system has withstood many strains in the course of our history. It probably faces a greater strain at the present time than at any previous time in our history, because of the rapid economic and social changes that have taken place and because of the impact of these changes on our communities and of our very natural desire to use the good offices of government for the improvement of our society at a time when our ideas of what is appropriate are expanding very rapidly.

I am sure I need not remind you that the Commission, in making its report, had in mind the fact that its study was only the beginning of a real inquiry into the whole subject.

If I may quote from a letter which I addressed to the President at the time the report was submitted, I said:

"We are hopeful this report will be regarded as the beginning rather than the end of a contemporary study of the subject of intergovernmental relations, and that it will stimulate all levels of government to examine their respective responsibilities in a properly balanced Federal system."

I should like to go on record as saying that the idea of a commission that will give the President and the Congress the benefit of careful incisive research and examination of the many problems that face us in this area, is sound, and that it can fulfill a very important and useful function.

Mr. MUSKIE. In addition, Mr. President, the annual Governors' conference at San Juan, P.R., this year recommended unanimously the enactment of legislation for the establishment of an advisory commission on intergovernmental relations, and I ask unanimous consent that a copy of the resolution be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED UNANIMOUSLY BY THE GOVERNORS' CONFERENCE AT SAN JUAN, P.R., AUGUST 5, 1959, FAVORING THE ENACTMENT OF LEGISLATION FOR THE ESTABLISHMENT OF AN ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

Whereas during five decades, the annual Governors' conference has given frequent recognition to the need for more coordination and cooperation between the States and the Federal Government; and

Whereas in past conferences, the Governors have encouraged and supported efforts to improve Federal-State relations, and to strengthen State and local government, including the establishment of a temporary Commission on Intergovernmental Relations in 1953, and the Joint Federal-State Action Committee in 1957; and

Whereas the increasing complexity of modern life has intensified the need for mutual understanding and for the continuous cooperation and coordination of activities between the levels of government in our Federal system; and

Whereas it has come to the attention of the Governors' conference that there has been initiated in the Congress of the United States, in recognition of the urgent need for action, legislation to establish a permanent bipartisan Advisory Commission on Intergovernmental Relations designed to bring together representatives of all levels of government in a united effort to preserve and improve our Federal system: Now, therefore, be it

Resolved, That the 51st Governors' conference urge the Congress to establish a permanent Advisory Commission on Intergovernmental Relations for the purposes and objectives specified in the legislation now before the Congress; and be it further

Resolved, That the Governors' conference pledge its full cooperation and support, through its individual and collective membership, toward the successful operation of the said Advisory Commission on Intergovernmental Relations and for the achievement of its objectives.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield to the Senator from Pennsylvania.

Mr. CLARK. I should like to commend my friend from Maine for his zealous activity in supporting the establishment of the Advisory Commission which, as he has pointed out, is so long overdue, having first been recommended by the Hoover Commission in 1949, I believe.

Will the Senator advise me if I am correct in my understanding that the Commission would be predominantly an Executive Commission, with minority representation from the two Houses of Congress?

Mr. MUSKIE. There would also be representation, I should like to point out to the Senator, from State legislatures.

Mr. CLARK. Yes. But am I not correct in my understanding that of the 27 members of the Commission the President would appoint 21?

Mr. MUSKIE. The Senator is correct.

Mr. CLARK. There would be six members from the Congress; three from the Senate and three from the House of Representatives?

Mr. MUSKIE. The Senator is correct.

Mr. CLARK. I believe the Senator is aware of my bill, S. 1431, which has also been favorably reported by the Committee on Government Operations.

Mr. MUSKIE. Yes; I am aware of the bill.

Mr. CLARK. Does the Senator not think that my bill and the bill under consideration cover quite different areas of investigation and study, and that there is no overlap between the two so far as the need for further inquiry is concerned?

Mr. MUSKIE. Yes. I think the Senator would be interested in a statement made by Mr. Meyer Kestnbaum in the hearings on the bill.

Mr. CLARK. Indeed I would be interested. Mr. Kestnbaum happens to be a good friend of mine.

Mr. MUSKIE. He is a very able gentleman.

Mr. CLARK. Indeed he is.

Mr. MUSKIE. I will quote from Mr. Kestnbaum's statement, as follows:

If such a commission is established properly, I should say that it could render a useful and important service; that its work need not conflict with other committees that are now under consideration, such as the one on metropolitan areas proposed by Senator CLARK, because the problems of metropolitan government will be with us for a long, long time.

Mr. CLARK. I thank my good friend for that citation from my friend Mr. Meyer Kentnbaum, who also is one of President Eisenhower's advisers in this area.

Mr. MUSKIE. I thank the Senator.

Mr. MAGNUSON and Mr. JAVITS addressed the Chair

Mr. MUSKIE. I yield first to the Senator from Washington.

Mr. MAGNUSON. I believe the Senator from Pennsylvania was speaking about the proposal advanced in the hearings on the bill by several mayors, as I recall, that all three levels of government participate in this matter.

I should like to ask the Senator from Maine, does his proposal anticipate or does it allow the kind of representation from the urban centers suggested in some of the testimony? I notice on page 119 of the hearings a statement by Gordon S. Clinton, the mayor of Seattle. Questions were asked by the distinguished Senator from Maine about participation by the three levels of government. I think Mayor Clinton testified on behalf of the American Municipal Association.

Does this bill includes the three levels?

Mr. MUSKIE. Yes. In a sense, the bill includes really four levels. It includes the Federal Government, State governments, municipal governments, and also county governments, and the provisions of the bill relative to membership on the committee meet with the approval of the American Municipal Association in the U.S. Conference of Mayors.

Mr. MAGNUSON. I was going to say something on this point, but I believe the mayor's testimony, which is fairly short, expresses my views as far as urban and municipal representation is concerned; and I ask unanimous consent that his statement be placed in the RECORD at the conclusion of the remarks of the Senator from Maine.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JAVITS. Mr. President, I wish to associate myself with the views expressed by the Senator from Maine. I am honored to be a cosponsor of the bill, and I strongly support its passage. I have no doubt that the Senate will pass it today.

I wish to call to the attention of the Senate the possible achievement in this field. For example, yesterday we passed—and I voted for it—the so-called antipollution bill with respect to water. That is exactly one of the problems with which a commission like the one proposed would concern itself. How do we adequately and wisely concentrate the responsibility for preserving the water resources of the country? They are not only one of our indispensable resources, but also one of the most dangerously jeopardized resources of the United States.

Also, Mr. President, we have been wrestling in the Senate with the no-man's-land problem, in the field of jurisdiction as between the States and the Federal Government in respect of labor matters, which are also very knotty problems.

Again, we have been more or less talking in the dark, based upon our own information, but without the benefit of any authoritative findings and analyses.

These are two examples. I am sure there are a host of others. This fact only emphasizes why the leadership of the Senator from Maine is so important.

I should like also at this time to pay a tribute to Meyer Kestnbaum, of Chicago, who has served as chairman of the Commission on Inter-Governmental Relations, and is now a Federal member of the Joint Federal-State Action Committee. He has led in this field in a most enterprising way, and shows every promise of continuing to cooperate in this field. I am sure he is very sympathetic to the objectives we are discussing.

Sometimes, we are inclined to permit things to go by in a sort of offhand way, in a quiet hour like this, when not much is going on, and we do not place enough emphasis on the real importance of the whole concept of the problem of this Government of ours based upon Federal-State relations. Although I have many times supported the concept of Federal responsibility in the most authoritative sense, I am nonetheless too much of a lawyer myself not to understand the importance of the maintenance of the strength of the Federal system wisely and, considering the progress of the country, in ever keeping abreast of progress. This is a very fine contribution to that end.

Mr. ERVIN. Mr. President, I wish to commend the able and distinguished Senator from Maine for the fine work which he has done in connection with the presentation of this bill to the Senate, and also in connection with the consideration of the bill by the Committee on Government Operations.

The bill fills a very deeply felt need in our national life in that it provides a commission to study our Federal system in all of its ramifications. I concur in what the able and distinguished Senator from Pennsylvania said a moment ago, about the relationship between his bill and this bill. I believe the Senator from Maine has correctly stated that the two bills do not conflict, but, on the contrary, supplement each other.

Mr. MUSKIE. I thank the Senator from North Carolina.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. Is it the thought of the Senator from Maine that this Commission would deal with such problems as we are now confronted with in the division of authority between the legislative and the executive branches, as between the two parties, in that one is controlled by one party and the other by the other party?

Mr. MUSKIE. Is the Senator speaking of the Federal level?

Mr. FULBRIGHT. Yes. We now have one party controlling the executive and the other party controlling the legislative. That, in my opinion, is a very unsatisfactory way to run a government. Will this Commission consider such problems as that?

Mr. MUSKIE. I would not consider that to be within the scope of the purposes of the Commission.

Mr. FULBRIGHT. Why not?

Mr. MUSKIE. The Commission is intended to deal with the relationships between different levels of government and not the relations between various departments of the Federal Government, or various departments on State levels. Its purpose is intergovernmental relations rather than relationships on any particular level of government.

Mr. FULBRIGHT. Reforms within the Federal Government, then, are not contemplated?

Mr. MUSKIE. Within the Federal system.

Mr. FULBRIGHT. Within the Federal system.

Mr. MUSKIE. As among these four levels of Government. I have not studied the language relating to the purposes of the Commission with a view to determining whether or not the kind of problem posed by the Senator from Arkansas would properly come within its scope. That was not the intention of the drafters of the legislation.

Mr. FULBRIGHT. Does not the Senator from Maine consider that this is a very, very important matter that we now seem to be confronted with more or less permanently, that the executive branch is controlled by one party and the legislative by another party?

Mr. MUSKIE. I could not agree more. Incidentally, I should like to say to the Senator from Arkansas that I listened with a great deal of interest to his comments yesterday, which lay within this general field which he is now discussing. I thought his remarks were very appropriate and very pertinent.

Mr. FULBRIGHT. The Commission on Intergovernmental Relations in a very broad sense I should think would include the governmental relations between the executive and legislative branches of the Federal Government, and I was hoping the Senator would say "yes," that this was one of the subjects which the Commission would consider and that it possibly might contemplate some reforms in our system which would at least minimize the condition I have mentioned.

Mr. MUSKIE. The bill provides for a bipartisan representation on the Commission.

Mr. FULBRIGHT. Yes.

Mr. MUSKIE. And I suspect that if the appropriate people are named to the Commission, they might be tempted to delve into this field.

Mr. FULBRIGHT. I was hoping we might make legislative history which would encourage the members of the Commission to listen to such a problem, and I am disappointed that the Senator from Maine did not have this point in mind. I believe the problems he is dealing with are much less important and much less of a threat to the continued vigor of this Government than the problem I mention.

Mr. MUSKIE. Perhaps I can reinstate myself in the good graces of the Senator from Arkansas if I suggest for the RECORD that if the Commission, when it is created and organized, should undertake to consider the problem

which he has outlined, I certainly would not object to it.

Mr. ERVIN. Will the Senator yield?

Mr. MUSKIE. I am happy to.

Mr. ERVIN. On that point I do not like to disagree with my able and distinguished friend from Arkansas, but if the American people are wise enough to elect a Democratic Congress and at the same time indulge in enough foolishness to elect a Republican President, I would be willing for them to have that privilege.

Mr. FULBRIGHT. Indefinitely?

Mr. ERVIN. Yes; as long as the American people want it.

Mr. FULBRIGHT. Does the Senator believe that the way the Government is operating at present, and has operated for the past several years, is a satisfactory way to operate the Government of a great country?

Mr. ERVIN. It is not the most efficient way the Government could be operated, and it is not the wisest way. Undoubtedly the wisest way would be to have the Democratic Party in control of all the departments of the Federal Government; but I think we should extend to the people the liberty of acting foolishly in some respects, as the Constitution authorizes them to do.

Mr. FULBRIGHT. However, I think we should do all we reasonably can to encourage them to act wisely in the administration of their governmental affairs.

Mr. ERVIN. So long as we do not coerce them into doing so.

Mr. FULBRIGHT. I did not bring up the question of coercion. The proposed agency would be an advisory commission, to study and present problems for the people to understand. My opinion is that under this division of authority the people will be confused as to where responsibility lies for inefficiency of the Government. The executive takes one view, and the legislative another. Each says that the other is at fault, and the poor people who are trying to make a living out in the hinterland are unable to say who is to blame.

Mr. ERVIN. That is correct.

Mr. FULBRIGHT. They are unable to reach a decision which would be wise; and I am trying to help them a little.

Mr. ERVIN. The popular idea in many areas of the country is that the President is protecting the people against a spending Congress. The facts are that the Congress has appropriated more than $600 million less than the President has urged.

Mr. FULBRIGHT. It will be more than $1.5 billion according to the most recent calculation I saw on the majority leader's desk, if the measures on which action has not been completed go as we expect. The figure will be about $1.8 billion.

Mr. ERVIN. I am speaking about bills acted on thus far.

Mr. FULBRIGHT. I think there is a very great defect in our system. Such a situation could not occur in a parliamentary system. I know it is unrealistic to propose a parliamentary system to this body, but I think it is significant that all other really democratic countries of any significance that have lasted for any period have had a system under which this sort of situation could not occur.

Mr. MUSKIE. For the past 4 years I had the responsibility and experienced the frustrations of working under a similar division of authority between the executive and the legislative branches, when I was Governor of Maine, with a Republican legislation. The Government worked fairly smoothly; but on one point the Senator touched upon, namely, that the people are likely to be confused as to who is at fault when this kind of government does not produce the results they want, I must say that during those 4 years I found, much to my pleasure, that the people tended to blame the legislature, which speaks with many voices, rather than the chief executive, who speaks with one voice.

Mr. FULBRIGHT. The Senator is absolutely correct; and if that is true in a small community like Maine, how much more true it is in an enormous community of 50 States.

This was exactly what happened in the 80th Congress. The President was able to sell the country on the idea that everything wrong with the Government was attributable to the Congress. I foresee the same thing happening in the next election. Already, in spite of the facts, which are clear, many are under the impression that we are profligates, spendthrifts, throwing the people's money away, although the figures very clearly show that we shall be approximately $1½ billion under the President's requests.

This is only one of the results of the confusion. I come back to the main point. I think the country should realize what is involved, and what the situation is, with this division of authority. I think we should give attention to it. I believe that a Commission such as the one proposed would be the ideal body to focus attention on it and possibly make recommendations.

I foresee that it will be extremely difficult for the Democrats, no matter how good a program they may put through Congress, to get their message across to the people, with a Republican in the White House. We do not have much influence with any of the press or any of the national magazines. Only a few newspapers of local interest support us. No matter what we do, the situation is very difficult. For the long-term future of the country, I think it is well that we control the Congress for a short period, in order that the issue may be made clear.

I do not know how we shall get out of the miasma or confusion we are in with regard to governmental responsibility. We have been in it for a long time. This is a very serious matter.

Mr. MUSKIE. I agree with the Senator.

Mr. FULBRIGHT. Why can we not have a commission study the problem and focus attention on it, and perhaps make some suggestions as to needed reforms in our political system?

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. THURMOND. I observe on page 10 a declaration of the purposes of the bill. To refer to only one—

It is intended that the Commission, in the performance of its duties, will—

* * * * *

(6) Recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government.

There are seven different points listed. I would presume, from the statement I have just quoted, that the Senator would conceive that the purpose of the Commission would not be to attempt to allocate fields of taxation to Federal, State, county, or municipal governments, other than in consonance with the Constitution.

Mr. MUSKIE. The Senator is correct. I emphasize the point that the Commission would merely be an advisory body, in this respect, advising the executive and legislative branches at all levels of government involved in a particular recommendation, as to the Commission's view of the particular problem.

Mr. THURMOND. Whatever the Commission did, of course, would be in an advisory capacity, or in the nature of recommendations to the Congress, in the event it felt that changes were needed.

Mr. MUSKIE. The Senator is absolutely correct.

Mr. THURMOND. I read an article recently in a magazine which raised several points which I wish to clear up with the Senator.

One objection to the proposed Commission that was raised was that it was alleged that the Commission would encourage direct subsidies to cities. Will the Senator comment on that?

Mr. MUSKIE. That is not the intention with respect to the Commission at all. I think the Senator would be interested in looking over the list of sponsors of the bill. I think he will see included in the list of sponsors Senators who are on different sides of this question, as to what the Federal Government should be doing or not doing with respect to particular services. I believe that the significance of this plan is that almost all the sponsors of the proposed legislation feel that once the facts are disclosed with respect to any particular program, new or old, or proposed, the facts may or may not support a particular philosophy as to what level of government should perform the service.

All the Commission is designed to do is to make studies, ascertain the facts, and make the evaluation. Its function would not be to support any particular philosophy as to what levels of government should be performing given services.

Mr. THURMOND. I am sure the Senator would not conceive the Commission to be any type of device which would attempt to short circuit State governments.

Mr. MUSKIE. I think the Senator might be interested in the following statement in the committee report, which bears on the point he is making:

The committee desires to stress, in this connection, that it does not intend this coverage to mean that representatives of the various levels will act as special pleaders for those levels, or that members of the Commission will regard themselves primarily as representatives of any particular group, level of government, or geographic area for the advancement of a special interest.

Mr. THURMOND. Another point that was made in the article was that the Commission would exert pressure for greater governmental spending at all levels.

Would the Senator comment on that?

Mr. MUSKIE. On the contrary, if the facts supported such a conclusion, the Commission may very well, in its judgment, recommend a reduction in the Federal levels. I think the Senator from South Carolina would be interested in the report of the Fountain Subcommittee of the House Committee on Government Operations. This report was the result of 3 years of study by the Fountain subcommittee of the grant-in-aid areas of cooperation between the Federal and State Governments.

If the Senator will read that report, I think perhaps it would constitute a better reassurance to him than anything I could say. In the opinion of the Fountain subcommittee, the grant-in-aid function has a very definite, useful purpose, for it is designed in many instances to stimulate particular programs. If, in many instances, when the results of that stimulus have been achieved, Congress and the States ought to give consideration to the withdrawal of the Federal Government from particular areas. So this proposal could be a two-way street.

It may result, in some instances, in the Commission advising Congress and the executive branch that the Federal Government ought to be doing more in some areas. It may result, in some instances, in the Commission recommending to Congress and the Chief Executive that the Federal Government do less in some areas. There is no fixed preconception as to what the Commission's recommendations would be, and no fixed preconception of the philosophy of government which the Commission would support.

Mr. THURMOND. Certainly in construing what the Senator from Maine says, it would not be the type of commission which would encourage big spending. On the other hand, it might possibly encourage a reduction in expenditures. It might bring about economy and eliminate duplication in Government, and therefore result in a more cheaply operated Government, if one wished to express it in that way.

Mr. MUSKIE. On that score, I think the testimony of Mr. Meyer Kestnbaum, a part of which I have already placed in the RECORD, should be placed at this point in the RECORD. I think it would answer more fully the questions raised by the Senator from South Carolina.

Mr. President, I ask unanimous consent that the testimony of Mr. Meyer Kestnbaum before the joint hearings be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF HON. MEYER KESTNBAUM, FORMER CHAIRMAN, COMMISSION ON INTERGOVERNMENTAL RELATIONS, AND PRESENTLY A FEDERAL MEMBER OF THE JOINT FEDERAL-STATE ACTION COMMITTEE

Mr. KESTNBAUM. Thank you, Mr. Chairman. I appreciate very much the opportunity to appear before the committee and discuss the bills which have been introduced with a view to establishing an Advisory Committee on Intergovernmental Relations.

As you know, Mr. Chairman, my interest in this subject goes back to the time when I was appointed Chairman of the Commission on Intergovernmental Relations, and as you have been good enough to suggest, I am here in my capacity as a citizen and as a former Chairman of that Commission.

I hope that you will permit me, first to applaud the work that has been done by your subcommittee. To my mind this has been a most objective, painstaking, and thorough inquiry into a most complicated subject. You have developed testimony and reports that are going to be extremely valuable to all students of the subject, and I know of no inquiry of this kind that has been conducted on a more objective basis, in the spirit of ascertaining the true facts.

Representative FOUNTAIN. Thank you very much.

Mr. KESTNBAUM. The bill which has been introduced addresses itself to what I regard as a most important objective, to give the President and the Congress the benefit of a continuing study of one of the most perplexing problems that our country faces; namely, the proper coordination of the activities of the various levels of government in order to achieve our national objectives.

Our Federal system has withstood many strains in the course of our history. It probably faces a greater strain at the present time than at any previous time in our history, because of the rapid economic and social changes that have taken place and because of the impact of these changes on our communities and of our very natural desire to use the good offices of government for the improvement of our society at a time when our ideas of what is appropriate are expanding very rapidly.

I am sure I need not remind you that the Commission in making its report had in mind the fact that its study was only the beginning of a real inquiry into the whole subject.

If I may quote from a letter which I addressed to the President at the time the report was submitted I said:

"We are hopeful this report will be regarded as the beginning rather than the end of a contemporary study of the subject of intergovernmental relations, and that it will stimulate all levels of government to examine their respective responsibilities in a properly balanced Federal system."

Now that the National Government has undertaken through this committee a very thorough study, I would hope that in due course other levels of government, particularly the States, would undertake similar studies of the problems which they face in their own jurisdictions and in their relationships with other levels of government.

I should like to go on record as saying that the idea of a commission that will give the President and the Congress the benefit of careful incisive research and examination of the many problems that face us in this area, is sound, and that it can fulfill a very important and useful function.

It seems to me appropriate also to point out some of the problems which such a commission may face, because its success, in my judgment, will depend on whether these problems are faced squarely and are taken into account in the very organization of the Commission itself.

We face problems in connection with the appropriate division of labor among levels of government, because of the very rapid changes that have taken place to which I have already alluded, and because the total weight of all government is increasing tremendously. And as one looks forward to the next decade, it seems inevitable that National, State, and local governments will all be asked to assume larger responsibilities, and that the limiting factor will be not a limitation on what our people think they ought to have in the way of services, but rather our capacity to pay for them. It has already been demonstrated that the American people have a voracious appetite for goods and services, and it may be said, I think properly, that the American people want more in the way of services than they are willing to pay for. Many people suffer from the illusion that somehow if these services are provided in Washington, they do not need to be paid for, or at least that they themselves will not have to pay for them, but that they will be paid for by someone else.

Ultimately all of these questions inevitably take on important fiscal implications, and it is in the area of fiscal responsibility that many of the problems make their greatest impact. Very often arguments that are advanced on grounds of equity and justice, when examined closely really relate to the question of where the burden is going to fall—on what level of government—and often there is a kind of naivete, as to how these things ultimately are paid for.

Therefore, Mr. Chairman, it would seem to me that it would be unfortunate if a commission such as is proposed, which I believe could perform a most useful service, were to begin its work by encouraging the belief that it is a device to permit various levels of government to present claims to the National Government, and that in some way through this procedure the appropriate levels of State government can be bypassed. That is to say, if the proposed commission were to encourage municipal and county officials to believe that the commission is a clearinghouse or a forum through which the needs of the communities are to be explored, and pressures of various kinds are to be brought upon the Congress, on the theory that the State governments are neither ready nor willing to assume their proper responsibilities, the net effect could be most unfortunate.

It seems to me, therefore, that somewhere in the mandate of the commission, itself, there ought to be a rather clear statement of the fact that the commission is being organized for the purpose of facilitating discussion of the problems which beset it, of pointing up the responsibilities as they appear, of admonishing the proper level of government when it fails to meet these responsibilities. We seek to retain the values of our Federal system, not to change it into something that would be quite different and which would have the effect in the long run of doing violence to the balanced system that was established by our Founding Fathers and has stood us in good stead throughout our history.

To supplement these observations, I should like to add just a few comments on this matter of fiscal responsibility. There is no need for me to dwell on the problems of the National Government. These have been amply presented, and certainly a committee of the Congress needs no instruction from me on that point.

On the whole, as one looks at the national scene, it would appear that the Na-

tional Government has serious problems, that it is currently operating at a deficit, that the local governments, particularly the metropolitan areas, are also faced with tremendous problems which are somewhat beyond their capacity in many instances, and that, on the whole, State governments have been rather slow in facing up to the problems of their citizens in the metropolitan areas and have been content to permit the short-circuiting of their responsibilities by programs under which the municipalities and metropolitan areas have brought their problems to Washington.

A great deal of this revolves around the fact that the States take the view that the National Government has largely preempted many sources of revenue by its high rate of taxation,that as a result the revenues available to the States have been greatly diminished.

We also have to deal with the view that certain types of taxation are undesirable from an economic or social point of view. I am now referring to taxes on consumption, for example, which in the opinion of many of our people are regressive and are therefore not the appropriate means for enlargement of tax revenues.

It would be inappropriate for me to attempt to discourse on the subject of taxation, on which I am not an expert, but I would offer the observation that there has been demonstrated in many parts of the world, notably in Canada, the revenue-producing power of forms of taxation that are related to consumption. When we consider the great needs which we face in many areas, we ought not dismiss lightly the necessity of broadening the tax base so that it includes the great mass of our people.

I believe many competent authorities have indicated that the amount of additional revenue that is available to us through increases in the rate of income tax, either individual or corporate tax, is now quite limited.

Therefore, it seems to me that the States must give consideration to developing sources of revenue which will provide them and their political subdivisions with the kind of income that is needed to meet the greatly enlarged responsibilities which they face. And it must be evident that in the next decade or two the responsibilities of State and local government are likely to grow even more rapidly than those of the National Government. The role of the National Government is extremely important in terms of directing the attention of our people to the areas in which the national interest is paramount, and a commission such as is proposed could render a very useful service in making available not only to the President and the Congress, but also to our citizens the relative importance of the objectives to which the various levels of government are striving.

Unless this is done with a willingness to examine these questions critically, and unless there is willingness to ask each level of government to assume its proper responsibilities, we could develop a situation which would hamper the effective relationships between the various levels of government rather than advance them.

Therefore, if I may sum up what I have to say, Mr. Chairman, it would be this: I applaud the work which has been done by this subcommittee. It has been very valuable and highly constructive. The proposal for a commission follows logically from the work that has been done by the subcommittee. It seems to me to deserve wide support. It seems to me also that the effective functioning of such a commission must be taken into account before it is actually enacted, its mandate must be clear so that there is no disposition on the part of the State or local governments to misunderstand the purposes for which the commission is established.

If such a commission is established properly, I should say that it could render a useful and important service; that its work need not conflict with other committees that are now under consideration, such as the one on metropolitan areas proposed by Senator CLARK, because the problems of metropolitan government will be with us for a long, longtime. A commission such as is proposed can perform a useful and important function if it is properly organized, properly manned, and if it has the kind of support from the Congress ond the people that will permit it to bring to its work a real spirit of inquiry. It should not become merely a platform for special pleading or for the assertion of special interests in our society.

Thank you very much.

Mr. THURMOND. Mr. President, I shall ask the Senator from Maine one more question. Does the Senator fear that the commission would possibly be dominated from the Federal level? I ask that question knowing that only six members are to be appointed by the President; three are to be Senators; three are to be House Members; four are to be Governors; three from State legislative bodies; four are to be mayors; and four are to be county officers. So the majority of the 27 members of the Commission would come from the State, county, and municipal levels. In fact, only 12 would come from the Federal level—six to be named by the President, and three to be Senators and three to be House Members.

Mr. MUSKIE. Three of the twelve to be appointed by the President would not be representatives of any level of government, but would be members of the public at large.

Mr. THURMOND. Of the six appointed by the President, I believe three would be from the executive branch and three are private citizens.

Mr. MUSKIE. The Senator is correct.

Mr. THURMOND. Of course, 3 are from the Senate and 3 from the House, which makes a total of 12 from the Federal level.

Numerically, of course, there would appear to be no danger of any Federal domination. I am simply wondering whether the Senator believes that that would be the actual case in operation; that the commission would not be dominated from the Federal level, but that the states, counties, and municipalities would have full representation or would be in such strength that their views could be placed before the commission and before the country in the proper light.

Mr. MUSKIE. I think the answer to the Senator's question must be found not in the legislation which, through mathematics, the committee membership has undertaken to achieve the objective the Senate has in mind, but lies rather in the kind of persons who will be appointed to serve on the Commission.

I think it would be of interest to the Senator to know that the United States Conference of Mayors, the Governors' Conference, and the Association of County Officials, as well, all enthusiastically support the Commission and give every indication, by the kind and quality of their support, that they enthusiastically intend to participate vigorously in the work of the Commission. If they do, then I have no fear that there will be domination on the part of the Federal Government.

Mr. THURMOND. As the Senator from Maine knows, I am vitally interested in the separation of the rights between the Federal Government and the States. The Constitution has delegated to the Federal Government certain powers, and has reserved all other powers to the States. I am sure the Senator could give assurance that, in his opinion, the Commission will operate within the framework of the Constitution, and that there will not be efforts to go beyond the Constitution and bring about changes, even though apparently beneficial, which would tend to violate the Constitution.

Mr. MUSKIE. It is certainly the intent of the framers of the proposed legislation to undertake to achieve a balance within the limits of the Constitution and a balance and coordination among the various levels of Government.

Mr. THURMOND. I thank the distinguished Senator from Maine.

Mr. MUSKIE. I thank the distinguished Senator from South Carolina for his colloquy and his contribution to an understanding of the bill.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. ERVIN. The Senator from Maine mentioned the work of the Fountain subcommittee of the House Committee on Government Operations. This committee is headed by Representative LAWRENCE H. FOUNTAIN, of the Second Congressional District of North Carolina. Representative FOUNTAIN did magnificent work in this field and has done outstanding work in advocating the proposed legislation which the Senate is now considering. I simply bear witness to the fact that Representative FOUNTAIN, and the able and distinguished Senator from Maine, both merit the thanks of the American people for the fine work they have done in connection with the bill.

Mr. MUSKIE. I thank the Senator from North Carolina. I should like at this time to pay my tribute to the outstanding efforts of Representative FOUNTAIN in behalf of the bill.

Mr. KEATING. Mr. President, will the distinguished Senator from Maine yield?

Mr. MUSKIE. I yield.

Mr. KEATING. There was so much mumbling going on on this side of the aisle that I had to follow the practice of the distinguished Senator from Oregon [Mr. MORSE] and come over to this side so that I could hear the Senator. The distinguished Senator from Arkansas [Mr. FULBRIGHT] indicated that there is some dire problem when Congress and the President are of different political parties. I remember well that he asked for the resignation of President Truman because a Republican Congress had been elected. I felt that

that was unwise at the time; I think it is unwise today. I do not know how he feels about it today.

I hope the commission, to be established for the purpose of studying intergovernmental relations, will not deteriorate into a body for the discussion or the consideration of extraneous matters such as those brought up by the distinguished Senator from Arkansas.

I support the bill. I myself introduced a bill to establish a joint committee for the same purpose. I happen to favor the joint committee approach. But I certainly support the proposal of the distinguished Senator from Maine.

Mr. MUSKIE. I thank the Senator from New York.

Mr. KEATING. Mr. President, I ask unanimous consent that a statement which I have prepared in support of the bill be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR KEATING ON ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

I wish to comment on the importance of devoting careful study at a high level to the problems which we face in the general area of intergovernmental relations. This is by no means the first time that I have spoken on this subject. In fact, my first speech as a member of the Senate dealt with the need for measures to effectively remedy problems pertaining to economic relations between the Federal Government and the States. On that occasion, I urged that a Joint Committee of Congress on Federal-State Economic Relations be set up to formulate a comprehensive program of action to alleviate these difficulties. Several weeks ago, on August 11, I introduced Senate Concurrent Resolution 70 to accomplish this purpose.

The Federal Government has on many occasions dealt effectively and swiftly with problems in which the authority of the various governmental units have clashed. Students of American Government have studied these problems, and have produced many useful and illuminating proposals for dealing with them. Several official governmental bodies have been established with a mandate to further this research and to systematize and publicize that which has already been completed. A great wealth of literature has been developed on this subject.

The bill which is before us today envisions a further step in the treatment of problems in the field of Federal-State relations. It would establish a mechanism whereby information and research materials in this field would be collected and analyzed at the highest level of our Government. Briefly stated, an Advisory Commission on Intergovernmental Relations, as proposed in the bill before us today, would serve in a top-level capacity as a study and advisory unit dedicated to the betterment of governmental relations between the Federal Government and its various component units.

There are several alternative ways in which problems of Federal-State relations could be handled. It is my own feeling that this purpose would be best accomplished by a joint congressional committee rather than by an Advisory Commission. A congressional committee would, in my opinion, be more able to initiate direct action implementing specific proposals to improve intergovernmental relations. Perhaps this is the next step beyond the Commission which we contemplate today. Although I favor this particular approach, I certainly do not want to prevent Congress from taking the important step forward which the legislation before us would accomplish.

It is of great importance to me that every opportunity be taken to devise new and better ways to approach the overwhelming tasks with which our Federal Government is faced. I support this bill because I welcome action which will allow us to tap the ideas of both experts and practitioners in the field of government. It is my view that government, to be effective, must work with and place great reliance upon creative individuals who are seeking to meet new challenges with new ideas. The action which we are asked to take today in establishing an Advisory Commission on Intergovernmental Relations constitutes a significant step endorsing the spirit of political innovation which is so essential if we are to successfully meet the great domestic and international problems with which the United States is faced.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. McCARTHY. Before the Senator from New York goes back to his own side of the aisle—I assume he is returning—I may say that I asked the Senator from Maine to yield to me so that we could make clear that the visit by the Senator from New York is a temporary one.

Mr. KEATING. I assure the Senator from Minnesota that it is temporary. He need have no worry.

Mr. McCARTHY. It is only for today?

Mr. KEATING. It is simply in order to hear better. There is so much mumbling that goes on over here, that we cannot hear on our side of the aisle what is being said on this side of the aisle. I have simply moved over, as the Senator from Oregon did the other day. He was having the same difficulty then as I am having now. He could not hear the majority leader.

I simply came over to this side of the aisle to listen. I give my pledge to the distinguished Senator from Minnesota that I shall stay here only long enough to listen; then I shall return to the proper side of the aisle.

Mr. McCARTHY. So long as the Senator from New York is forewarned, it is all right. But he knows it is extremely dangerous to come close enough to hear what the Democrats have to say, for fear he might be converted.

Mr. KEATING. No. There is no danger of that, although I find among Senators on this side of the aisle some of my very best personal friends, including the distinguished majority leader, who I see has come to the floor after arduous work in other areas. I do not see how he handles his big job.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Maine yield?

Mr. MUSKIE. I yield.

Mr. JOHNSON of Texas. I thank the Senator from New York for his generosity. I have not just come to the floor. But I am delighted that the Senator has been so busy that he could not observe me. I have been transacting business toward the rear of the Chamber.

Mr. KEATING. I do not see how the distinguished Senator from Texas does all that he does.

Mr. JOHNSON of Texas. Sometimes I wonder myself.

Mr. KEATING. The Senator from Texas is on the floor more than any other Senator.

Perhaps the Senator from Texas did not hear the Senator from Arkansas speak. That was what I was commenting on, primarily.

Mr. McCARTHY. I could continue to raise questions, including one which was suggested by the remarks of the Senator from New York, in that he said he was unhappy about what happened in the last election, since at that time he was opposed to divided government.

In view of the fact that all the experts now forecast that, regardless of what happens in the election in 1960, the Congress will continue to be controlled by the Democratic Party, I wonder whether the Senator from New York will carry his preference so far as to be opposed to having a Republican President in 1960. Perhaps he will agree that there should be a Democratic President at that time, so as to be assured that we would not have a divided government.

Mr. KEATING. Mr. President, the Senator from Minnesota misunderstood me. A divided government works—although not as well as when the control of both the executive branch and the legislative branch is in the same party.

But the Senator from Arkansas objected. The Senator will remember how he wanted to have President Truman resign, in order that a Republican could be made President—although he did not specify just what Republican would be selected, or how that detail would be worked out. If I had known how he would have worked it out, I might have been more sympathetic to his proposal.

Mr. McCARTHY. I thought the Senator from New York subscribed to that idea—at least, back in 1958.

Mr. KEATING. No; I was referring to the statement by the Senator from Arkansas that dire results would come from divided control.

I think it preferable to have the control of both the executive branch and the legislative branch of the Government in one party—but not so preferable or so desirable as to warrant the drastic arrangement of having a Democratic President. [Laughter.]

Mr. McCARTHY. I appreciate the contribution the Senator from New York has made while he has been standing on this side of the aisle.

Mr. KEATING. Well, it has been a pleasure to me to stand on the Senator's side of the aisle for a time, and I have enjoyed myself while I have been here.

Mr. McCARTHY. We have been glad to have the Senator from New York here for even so short a period of time. [Laughter.]

Mr. President, let me say that in the last few weeks the Congress has taken action on 3 or 4 bills which have involved the question of State-Federal relationships, and with regard to which those relationships have constituted an important consideration. In that connection, for instance, let me refer to the bill, recently passed by the Senate, which provided for the taxes on interstate sales by

certain corporations; also the highway bill, which involved the question of financing and the question of control of the rights-of-way; and also the labor bill, in connection with which one of the important points for consideration was the so-called no man's land question. In short, almost any major issue which relates to or involves Federal-State governmental control deserves attention of this sort.

So I am sure all my colleagues join me in commending the Senator from Maine [Mr. MUSKIE] for having taken the initiative in regard to the establishment of such a commission. On the basis of his record as the Governor of Maine and his record here in the Senate, I am sure that we need have no concern as to whether the study will be an objective one. Certainly we are assured that it will be orderly, thorough, and objective.

Mr. BARTLETT. Mr. President, will the Senator from Maine yield to me?

Mr. MUSKIE. I am happy to yield to the Senator from Alaska.

Mr. BARTLETT. Mr. President, I wish to join the Senator from Minnesota in stating that certainly the Senator from Maine is to be commended for his presentation of the bill to the Senate.

I had some questions about the bill, but they have been completely answered by the lucid and thorough explanation the Senator from Maine has given. I am sure his guidance and leadership in connection with this important matter will assure the taking of this forward step in coordination between the various branches of government in our country.

Mr. MUSKIE. I thank the Senator from Alaska for his generous remarks.

Mr. President, before I conclude my remarks on the bill, I should like to complete paying my compliments to Represetative FOUNTAIN. Without the outstanding work he did, the bill would not have been prepared. He worked very hard for years, both on the hearings and on the Kestnbaum report; and those hearings and that thorough consideration resulted in the production of this bill. I was able to work with him because of my experience as Governor. Certainly it has been a real privilege to work with him on the bill.

The PRESIDING OFFICER (Mr. CANNON in the chair). The question is on agreeing to the committee amendment, which will be stated.

The amendment of the Committee on Government Operations was to strike out all after the enacting clause and insert:

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, hereinafter referred to as the "Commission".

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest cooperation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance it its duties, will—

(1) bring together representatives of the Federal, State, and local governments for the consideration of common problems;

(2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;

(3) give critical attention to the conditions and controls involved in the administration of Federal grant programs;

(4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the federal system;

(5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation;

(6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government; and

(7) recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of twenty-seven members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be Members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;

(4) Four appointed by the President from a panel of at least eight governors submitted by the Governors' Conference;

(5) Three appointed by the President from a panel of at least six members of State legislative bodies submitted by the board of managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least eight mayors submitted jointly by the American Municipal Association and the United States Conference of Mayors;

(7) Four appointed by the President from a panel of at least eight elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), (6), and (7) of subsection (a), not more than two shall be from any one political party; of each class of members enumerated in paragraphs (5), (6), and (7) of subsection (a), not more than one shall be from any one State; at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) The term of office of each member of the Commission shall be two years, but members shall be eligible for reappointment.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The President shall convene the Commission within ninety days following enactment of this Act at such time and place as he may designate for the Commission's initial meeting.

(b) The President shall designate a Chairman and a Vice Chairman from among members of the Commission.

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs 4, 5, 6, and 7 of section 3(a), each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least two names for each vacancy.

(d) Where any member ceases to serve in the official position from which originally appointed under section 3(a), his place on the Commission shall be deemed to be vacant.

(e) Fourteen members of the Commission shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act;

(2) to consider, on its own initiative, ways and means for fostering better relations between the levels of government;

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member of the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of, and remove a staff director without regard to the civil-service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil-service laws and the Classification Act of 1949, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of, and remove such other personnel as he deems necessary,

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals.

(e) Except as otherwise provided in this Act, persons in the employ of the Commission under subsections (c) and (d)(1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267),

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103),

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842).

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel expenses (or, in the alternative, a per diem in lieu of subsistence and mileage not to exceed the rates prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842), the Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MUSKIE. Mr. President, I move that the Senate proceed to consideration of Calendar No. 733, House bill 6904, to establish an Advisory Commission on Intergovernmental Relations.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. MUSKIE. Mr. President, I move that all after the enacting clause of House bill 6904 be stricken out, and that there be substituted therefor the text of Senate bill 2026, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Maine.

The motion was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 6904) was read the third time and passed.

The PRESIDING OFFICER. Without objection, Senate bill 2026 will be indefinitely postponed.

Mr. MUSKIE. Mr. President, I move that the vote by which House bill 6904 was passed be reconsidered.

Mr. JOHNSON of Texas. Mr. President, I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. MUSKIE. Mr. President, I move that the Senate insist upon its amendment, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MUSKIE, Mr. HUMPHREY, and Mr. MUNDT the conferees on the part of the Senate.

EXHIBIT 1

STATEMENT OF HON. GORDON S. CLINTON, MAYOR OF THE CITY OF SEATTLE, WASH.

Mayor CLINTON. Thank you, Mr. Chairman.

Mr. Chairman, members of the joint committee, my name is Gordon S. Clinton. I am mayor of the city of Seattle, Wash., appearing here before you today both in my capacity as mayor of Seattle and on behalf of the American Municipal Association on whose executive committee I have the honor of serving.

The American Municipal Association is, as you know, the national representative of approximately 13,000 municipal governments throughout the United States and Puerto Rico. It is organized on the basis of affiliation with the State Leagues of Municipalities in 45 States plus 225 direct member cities.

Cities eligible for direct membership must have a population of 50,000 or more, or be a State capital or one of the 10 largest cities in the State.

The AMS's support for the creation of a permanent Commission on Intergovernmental Relations is of long standing.

I believe that the original resolution passed by our membership was introduced in 1954, and has been a part of our national municipal policy since that date.

We support the creation of a permanent commission for several very important reasons. The principal one of which is the fact that the existing state of intergovernmental relations is notably poor and that, so far, attempts to promote improvement have been distinguished by failure or inability to come to grips with the problem.

As I believe the members of this committee have heard at considerable length and with some repetition perhaps, the whole governments of this country are not on particularly good terms with the governments of the respective States. Part of our problems with the States stem primarily, I believe, from the fact that they, for one reason or another, are unaware of or not particularly interested in the nature and extent of the real problems being faced by the urban areas.

In fairness, it must be admitted that they, on the State level, are preoccupied with what they consider problems equally as pressing at the State level. And former Governor Muskie will certainly echo that, I am sure.

It is, I am afraid, also true that the States find urban problems complex, not amenable to easy or inexpensive solution, and therefore prefer to let the local governments go it alone.

As I think you well know, municipal governments generally prefer to deal with the Federal Government because they find it more sympathetic and responsive to urban needs. But even dealing with the Federal Government they encounter a general inability to completely comprehend the real scope of the total urban problem, and a somewhat disturbing lack of appreciation of their fiscal and administrative limitations.

We honestly believe that our problems are not fully understood nor fully appreciated at either the State or Federal levels and we certainly welcome any sort of organization which could make our problems real and compelling to the States and to our Federal Government.

Secondly, we support the creation of the Commission because by the enactment of this measure, we will have achieved on the part of Congress and the President formal recognition that good intergovernmental relations are essential to the competent conduct of government in general.

Thirdly, a Presidential Commission with the considerable prestige that attaches to such groups provides an open forum of the kind needed to objectively analyze and discuss the functions and responsibilities of the various levels of government in the solution of problems posed by continued and accelerating population growth and urban expansion.

Fourthly, because the Commission proposal recognizes the need for equitable, responsible, and knowledgeable representation on the part of all levels of government, and I believe that is the sense of the distinguished Representative Fountain and one of the sponsors of this bill—an awareness of that, we feel, that the conclusions reached as a result of its deliberations will enjoy considerable acceptance on the part of all levels of government. Much more I might add than has been possible through the action of any committee or other ad hoc group established to carry out functions of the kind assigned by the bill to the Advisory Commission.

Finally, we believe that all levels of government should studiously and conscientiously pursure all possible courses toward the development of better and more efficient government. For, after all, that is the task of all, whether it is on a local, State, or National basis.

We are convinced that one method of securing this objective is to develop more harmonious relationships between States and Federal Government and the municipalities.

We believe that under our Federal system the fullfledged and continuing cooperation of all levels of government is mandatory. We believe it to be essential to our future as a Nation.

We also very firmly believe that the problems and areas of interest to be discussed and analyzed by the Commission must be approached with a reasonably open mind and on the basis of the realization that never in the history of our Nation have we faced the kinds and types of problems that our urban growth and development pose for us today. When we realize that almost two-thirds of the people of the United States are living in some 18 or 20 of the large metropolitan areas and that they are part of the exploding metropolis that we are all keenly conscious of, particularly those who work most directly on the local level.

I am certain that we can effect better intergovernmental relationships, that we can encourage and promote realinement of functional responsibilities at various levels of government, that we can do some within the broad framework of government laid down by our Constitution. And in so doing, be secure in the knowledge that our democratic process and individual freedoms need never be violated in the course of our work.

Representative FOUNTAIN. Thank you very much, Mayor Clinton, for your very significant contribution to the work of our committee.

Senator MUSKIE?

Senator MUSKIE. I have just one question that I would like to ask Mayor Clinton. At the outset I join Congressman FOUNTAIN in expressing appreciation of your statement. There are other questions I would like to ask but time is fleeting.

One question I would like to ask is this: One of the objections which occurs from time to time in the course of these hearings on the bills is the size of the proposed Commission. It is suggested that it would be too cumbersome and because of the fact that it cannot meet on a continuing basis, that it might not give the positive and continu-

ing direction that the work of the Commission should have.

Of course, one of the reasons why it is so large is in order to give broad representation.

Mayor CLINTON. Yes.

Senator MUSKIE. What would be your reaction to a suggestion that has been made that the Commission itself ought to be composed of three people representing each of the three levels of government and advised by the committee which is broadly representative in its makeup?

By asking the question I am not suggesting any personal reaction to it. I simply inquire as to yours.

Mayor CLINTON. As you have aptly stated, part of the sense of this proposed legislation, as I see it, is to provide adequate representation on all levels of the Government, and likewise as has been pointed out, the status and prestige involved of a commission, that is inescapable, I think we are led to that. The thing we would have to ask, in view of the problem you point up, which is a real one—because here you are calling on, for example, mayors and representatives of States, Governors, and county representatives, and there would be a need for continuing action—part of the problem is maybe a physical one. I am not satisfied just in my first reaction that a three-man commission would have the breadth that I think we would want if we were to acquire commission status.

It just seems to me, that is my first reaction, that there is a need for the President to be in on this, there is a very definite need for Congress to be aware of it. The one without the other in my judgment is not satisfactory. There is a need, yes, for the State; and this goes to the point of another level of government, the county and the municipalities with the U.S. Conference of Mayors and American Municipal Association submitting a panel from which several would be appointed.

In specific answer to your question maybe 24 might be unwieldy, but I think it should be more than 3, otherwise I do not think we get the broad dissemination of support and understanding, perhaps, that we are seeking in such a permanent commission as this. That is my best impression, Senator.

Senator MUSKIE. I would agree with you wholeheartedly that we must have a sense of participation by all three levels of government, that State and local governments should not be made to feel that this is simply another Federal agency.

Mayor CLINTON. That is right.

Senator MUSKIE. Which will give pious attention to their opinions and judgments and problems, but continue on its own. I agree with that wholeheartedly. I do not know how you can resolve this problem perfectly. I do appreciate your comments. Perhaps 6 or 12 might be better.

Thank you.

Representative FOUNTAIN. While taking testimony in our regional hearings, we did not have this particular legislation in mind. It is, rather, an outgrowth of the testimony which we received throughout the country. One of the things we frequently heard, particularly from city representatives, is that the point or points of view of local government are not always represented or adequately understood when public commissions study intergovernmental relations. And we found some differences of opinion as between the representatives of large metropolitan areas and those from smaller communities. And we noted the same thing with respect to the counties, where you have metropolitan counties as well as rural counties. The representation of these differing viewpoints at the local level alone makes a very small commission impractical.

Moreover, if the Advisory Commission is to function effectively, I can well envision the necessity for its working through subcommittees so that certain problems will be studied by a few members of that Commission on a continuing basis.

And that is another reason for a larger commission than we might normally prefer.

I would like to ask you one other question. Which procedure do you think is preferable: Appointment of members by the President from a panel submitted by the various levels of government through their organizations, or appointment by the President in consultation with and upon the advice of these various organizations?

Mayor CLINTON. I would concur with the statement made by Senator MCCARTHY. I do not think it makes too much difference. I would not labor the point, actually, but I do feel that the important part is to see to it that the executive branch and the legislative branch, together, are aware that there is not a hiatus that exists, that, for example, if Congress is aware of something that is not reflected in the executive branch and vice versa, there may be a void that exists, and something less than the complete rapport and understanding that we seek to accomplish by such a bill as you could sponsor.

Representative FOUNTAIN. One witness said this morning that he thought it possible that the various organizations might find it embarrassing to select the panel of members from which the President would make the appointments.

Mayor CLINTON. I think that could be resolved and worked out, actually.

Representative FOUNTAIN. Mrs. DWYER.

Representative DWYER. No questions.

Representative FOUNTAIN. Any other questions? (No response.)

Thank you very much. If you have any supplementary suggestions which you would like to submit to the committee for the record and for our study, we will be happy to receive them. I want to say that we are not wedded to any particular word or phrase or sentence of this bill; it is simply the best that we have been able to work out after very careful study and deliberation.

However, if it can be improved upon in the interest of accomplishing the purposes of the legislation, we certainly want to do so. I am sure that is the feeling of Senator MUSKIE and Mrs. DWYER and other members of this committee as well.

Thank you very much.

Mayor CLINTON. Thank you.

CONVEYANCE OF CERTAIN LAND TO THE CITY OF CHEYENNE, WYO.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 840, Senate bill 857.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 857) to authorize the Administrator of General Services to convey certain lands in the State of Wyoming to the city of Cheyenne, Wyo.

Mr. MORSE. Mr. President, may we have an explanation of the bill?

Mr. JOHNSON of Texas. Mr. President, Senate bill 857 provides for the transfer of approximately 30 acres of surplus land, with improvements thereon, at the Veterans' Administration Center, in Cheyenne, Wyo., to the city of Cheyenne, by quitclaim deed, without consideration. The deed (1) shall provide that the land shall be used by the city of Cheyenne for such purposes as will not in the judgment of the Administrator of Veterans' Affairs or his designee interfere with the operation of the Veterans' Administration; (2) may contain such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of General Services to be necessary to protect the interests of the United States; and (3) shall provide that title to such tract shall revert to the United States upon the violation of any such terms, conditions, reservations, or restrictions.

Hearings were held on S. 857 before a special subcommittee of the Senate Committee on Government Operations on July 17, 1959. The property to which this proposed legislation relates was originally part of a 600-acre tract of land which the city of Cheyenne transferred to the Veterans' Administration for the construction of a hospital. Witnesses before the committee stated that the original cost of the 600 acres was $5,000, and that an additional $8,000 was spent to extend the water mains to the site. The city had to borrow the money to pay for the land and the improvements.

Pursuant to an act of Congress approved June 29, 1948 (62 Stat. 1104), the Administrator of Veterans' Affairs conveyed to the city of Cheyenne by quitclaim deed, without consideration, approximately 431 acres of the site no longer needed for hospital purposes as surplus property.

In July 1955, the Veterans' Administration reported an additional 90.2 acres of the site, including the 30 acres described in this legislation, as excess property. The city of Cheyenne applied for conveyance of the entire 90.2 acres for use as part of the Cheyenne Airport. In accordance with the recommendation of the Civil Aeronautics Administration, 60.2 acres of the surplus land were transferred to the city by the General Services Administration for the construction of an airport.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. MORSE. I am now familiar with the bill. I wanted an explanation long enough to check the bill. This bill, if I may have the attention of the Senator from Kentucky [Mr. COOPER], is the bill I discussed briefly on the floor of the Senate yesterday. It is in line with a whole series of veterans' hospital cases we have had over the years, such as the one the Senator from Kentucky [Mr. COOPER] offered a couple of years ago. It is in line with the Morse formula, and I have no objection.

The PRESIDING OFFICER (Mr. CANNON in the chair). The bill is open to amendment.

If there be no amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill (S. 857) was ordered to be engrossed and to be read a third time.

The bill was read the third time and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to the provisions of section 2(a) of this Act, the Administrator of General Services is authorized and directed to convey by quitclaim deed, without consideration, to the city of Cheyenne, Wyoming, all right, title, and interest of the United States in and to 30 acres of land, more or less, de-

scribed as a portion of the southwest quarter of section 28 and the west 150 feet of the southeast quarter of section 28, township 14 north, range 66 west of the 6th principal meridian, in the county of Laramie, State of Wyoming, beginning at a point on the south line of section 28, 150 feet east of the southwest corner of the southeast quarter; thence west along the south line of section 28, a distance of 690 feet; thence north a distance of 1,700 feet; thence east a distance of 690 feet; thence south a distance of 1,700 feet to the point of beginning, together with any improvements thereon, which were formerly a part of the tract of land comprising the Veterans' Administration Center, Cheyenne, Wyoming, and declared surplus to the needs of the Veterans' Administration.

SEC. 2. The deed of conveyance (1) shall provide that the tract of land authorized to be conveyed shall be used by the city of Cheyenne, Wyoming, for such purposes as will not in the judgment of the Administrator of Veterans' Affairs or his designate interfere with the operation of the Veterans' Administration Center, Cheyenne, Wyoming; (2) may contain such additional terms, conditions, reservations, and restrictions as may be determined by the Administrator of General Services to be necessary to protect the interests of the United States; and (3) shall provide that title to such tract shall revert to the United States upon the violation by the grantee of any such term, condition, reservation, or restriction.

Mr. JOHNSON of Texas. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MORSE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PROBLEMS OF THE AGED AND AGING

Mr. McNAMARA. Mr. President, I take this opportunity to bring to the attention of the Senate a short progress report of the work of the Subcommittee on the Problems of the Aged and Aging.

Adequate income, decent housing, good health, and a dignified place in society for our 15½ million citizens over 65 and 20 million over 60 are among the most important problems currently facing the Congress and the Nation.

The Senate Subcommittee on Problems of the Aged and Aging was created under Senate Resolution 65, which authorized the Committee on Labor and Public Welfare to establish such a subcommittee.

I wish to thank the distinguished chairman of the Labor and Public Welfare Committee [Mr. HILL] for his very great cooperation and assistance in the creation of the subcommittee.

It was charged with conducting a comprehensive study of the problems of the elderly including their needs, programs of Federal agencies to meet these needs, and the extent to which additional Federal programs should be undertaken to help solve these problems.

I ask unanimous consent that the text of the resolution be printed in the RECORD at this point.

There being no objection, the resolution (S. Res. 65) was ordered to be printed in the RECORD, as follows:

Resolved, That the Committee on Labor and Public Welfare, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate to examine, investigate, and make a complete study of any and all matters pertaining to the problems of the aging including, but not limited to, (a) a study of the major problems of the aged, (b) a study of the existing programs of agencies, both public and private, dealing with problems of the aged, (c) a study of the present role of the Federal Government in dealing with problems of the aged, and (d) a study of any additional Federal programs which should be undertaken to help solve the problems of the aged.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1959, to January 31, 1960, inclusive, is authorized (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided,* That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than $1,200 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1960.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed $85,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. McNAMARA. Mr. President, in preparing for this study, some of the most informed people in the Nation were asked to meet with the members of the subcommittee to explore the broad range of problems and to suggest guides and standards for further investigation.

I have had many requests for a summary of the thoughts and ideas of these nationally known experts. I have, therefore, taken some of the interesting highlights from the storehouse of information we have developed as the basis for my presentation today.

One startling fact is that if medical progress continues, there is no basic reason why human beings cannot live to the age of 125.

If this dramatic trend continues, today's problems of aging will seem like minor ripples as compared with the floods of tidal proportions to come.

The average life expectancy in the United States today is about 70. This compares with an average of about 48 a little over 50 years ago. Forty years from now the life span is expected to average 82 years.

In 1900 there were only 3 million Americans over the age of 65. Today there are nearly 16 million, and in 10 years there will be an estimated 20 million.

Not only does this constitute a soaring increase in total numbers, but the percentage of the total population in the over 65 bracket has more than doubled, jumping from 4 percent to 9 percent.

If we continue to relegate old people to the sidelines—financially, medically, and socially—the financial burden to this country just in terms of institutions for the aging will be too fantastic to contemplate.

This population boom amounts to a national crisis because of the role we tend to assign to "older men and women."

We have made it possible for more people to live into the so-called "golden years," but without adequate incomes, health care, housing, and without a recognized role in the community life of the Nation.

The primary issue facing the aging today is that of maintaining a decent American standard of living on a heavily reduced income.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. McNAMARA. I yield.

Mr. MORSE. I most sincerely compliment the Senator from Michigan for the grand job he did in the Committee on Labor and Public Welfare.

Did the Senator go into any detail with regard to the problems which concern the elderly, such as the fear of medical costs after they are 65 years of age, and their fear that they will not have the funds, nor will their children have the funds, to pay the cost of serious illness in old age?

Mr. McNAMARA. I wish to assure the Senator from Oregon [Mr. MORSE] we have gone into the subject at great length, and I intend to make further reference to it in my remarks today.

Mr. MORSE. I shall not interrupt the Senator further, except, for the sake of the RECORD, I wish to ask the Senator if he is aware of the great interest of the senior Senator from Oregon in the problem of medical care for the aged, as evidenced by the fact that I am the author of the Senate bill, as is Congressman FORAND on the House side—the so-called Forand-Morse bill—which seeks to provide medical insurance attached to social security for the aged, which would take care of their medical costs after the age of 65?

Mr. McNAMARA. The Senator from Michigan is well aware of the interest of the Senator from Oregon in this subject, and assures him that the subcommittee of the Committee on Labor and Public Welfare, and I personally, in my contact with people throughout the country in relation to this subject, have found a great deal of interest in the proposed legislation to which the Senator from Oregon refers.

Mr. MORSE. Am I correctly advised that at the next session of Congress, if we do not stay here long enough this fall, as we should, to handle the matter, the bill to which I referred will come before the committee of which the Senator from Michigan is a member for hearing?

Mr. McNAMARA. I do not think our committee is the appropriate committee to conduct hearings on that bill. However, I think that decision will be up to the distinguished chairman of the Committee on Labor and Public Welfare [Mr. HILL]. He will probably make that decision.

Provides for the use of foreign currencies for research, cultural and educational development, health, nutrition, and sanitation, and for the preparation, distribution, and exhibition of audio-visual informational and education materials. Authorizes disposition of CCC stocks of animal fats and edible oils or products for use in assistance of needy persons outside the U. S., and the purchase of such fats, oils, and products as will help to maintain the support level for cottonseed and soybeans.

27. SMALL BUSINESS. Concurred in the Senate amendment to H. R. 8599, to provide an additional $75 million for the Small Business Administration revolving fund. This bill will now be sent to the President. p. 17587

Received from the Small Business Administration the semiannual report of that agency. p. 17645

28. INTERGOVERNMENTAL RELATIONS. Conferees were appointed on H. R. 6904, to establish an Advisory Commission on Intergovernmental Relations. Senate conferees have already been appointed. (p. 17586). The conferees agreed to file a report on this bill (p. D912).

29. ELECTRIFICATION. Rep. Preston praised the rural electrification program, and reviewed accomplishments under the program. pp. 17631-2

30. WATERSHEDS. The Public Works Committee approved the following watershed projects: Flat Creek, Ark., Second Creek, Miss., Tehuacana Creek, Tex., Marsh-Kellogg Creeks, Calif., Upper Clear Boggy Creek, Okla., Roanoke Creek, Va., and Caney-Coon Creek, Okla. p. 17584

31. CONGRESSIONAL PROCEDURE. Agreed to a unanimous consent by Rep. McCormack that for the remainder of this session of Congress it shall be in order to consider conference reports the same day reported, that Rules Committee reports may be considered at any time, and that the Speaker may recognize Members to move to suspend the rules for consideration of measures. pp. 17592-3

32. LEATHER. Rep. Porter urged the enactment of legislation to require the labeling of shoes, and inserted several items on the subject, including a letter from this Department disucssing the proposal. pp. 17594-603

33. PUBLIC WORKS. Rep. Dixon explained the reasons for his voting to sustain the President's veto of the public works appropriation bill. p. 17604

Rep. Taber inserted a table regarding the public works appropriation bill which shows "the new starts which an honest figuring of benefit-cost ratio would rule out." p. 17606

34. APPROPRIATIONS. Rep. Curtis and others debated the accuracy of the table of of appropriation bills appearing daily in the Daily Digest of the Congressional Record. pp. 17622-3, 17624-31

35. INFORMATION; PERSONNEL. Received from the Science and Astronautics Committee a report on the dissemination of scientific information (pp. 17645-6); and a report on scientific manpower and education (p. 17646).

ITEMS IN THE APPENDIX

36. SURPLUS FOOD. Rep. Judd inserted an article, "Food Giveaways", on "the dangers and difficulties as well as possible benefits which must be evaluated more intelligently in our programs of selling or bartering or contributing our food surpluses abroad." pp. A8031-2

Rep. Quie commended the Administration for donating "nearly 3 billion pounds of surplus foods during fiscal year 1959", and inserted a table showing the numbers of needy persons receiving surplus food in June 1959. p. A8039

37. TEXTILES. Rep. Hemphill inserted an editorial contending that U. S. textiles are being threatened by the importation of cheaper textiles from the Far East. pp. 8006-7

38. FOREIGN TRADE. Rep. Simpson inserted an address contending that U. S. commodities, including cotton and textiles, are being adversely affected by increasing imports into the U. S. and decreasing exports. pp. A8009-10

Extension of remarks of Rep. Knox expressing concern over increasing imports of foreign agricultural products, and urging action to curtail much of these imports. pp. A8017-8

39. PUBLIC POWER. Extension of remarks of Sen. Yarborough, and insertion of a letter from Clyde Ellis, criticizing "a massive, vastly expensively, new Madison Avenue type advertising campaign aimed at discrediting and, if possible, destroying public power in America." pp. A7979-80

40. FEDERAL REGISTER. Rep. Albert inserted an article by the Director, Office of the Federal Register, suggesting that the Federal Register be discontinued and replaced with a centrally published looseleaf system. pp. A7969-70

41. INTEREST RATES. Rep. Curtis inserted numerous articles and items on proposals to remove the interest ceiling on long-term Federal bonds. pp. A7968, 7971, 7976, 7977-8, 7978-9, 7979, 7982, 7989, 7993, 7995, 7998, 7999, 8000, 8001, 8003.

BILLS INTRODUCED

by Sen. Anderson.

42. ADJOURNMENT. S. J. Res. 142, proposing an amendment to the Constitution of the United States relating to the adjournment of Congress; to Judiciary Committee. Remarks of author. pp. 17487-8

43. MONOPOLIES. S. 2963, by Sen. Sparkman, to strengthen the antitrust laws by amending the Clayton Act and related acts to provide for the issuance of temporary cease and desist orders to prevent certain acts and practices pending completion of proceedings; to Judiciary Committee. Remarks of author. pp. 17562-3

44. FARM PROGRAM. S. 2690, by Sen. Mundt, to promote greater diversification of U. S. agricultural production; to shift U. S. farm production to those commodities in relatively greatest demand, taking into account both domestic and export markets; to provide larger supplies of protein meals for balanced rations for the dairy, livestock and poultry industries; to Agriculture and Forestry Committee. Remarks of author. pp. 17485-7

H. R. 9204, by Rep. Flynn, to balance domestic supplies of, and domestic demand for, agricultural commodities, by providing for the withdrawal of 80 million acres from agricultural production; to Agriculture Committee. Remarks of author. pp. 17606-8

H. R. 9213, by Rep. Roosevelt, to provide for the development of a comprehensive family farm program, to bring the production of agricultural commodities into balance with demand therefor, to enable farmers to secure fair prices, to better utilize agricultural abundance in the Nation's interest at home and abroad; to Agriculture Committee.

45. PERSONNEL. H. R. 9203, by Rep. Broyhill, to provide for the annual granting

H.R. 6884. An act for the relief of Mrs. Barbara May Boswell;

H.R. 7605. An act for the relief of the State of Oklahoma;

H.R. 8392. An act to amend the District of Columbia Stadium Act of 1957 with respect to motor-vehicle parking areas, and for other purposes;

H.R. 8582. An act to authorize the San Benito International Bridge Co. to construct, maintain, and operate a toll bridge across the Rio Grande near Los Indios, Tex.;

H.R. 8599. An act to amend the Small Business Act, and for other purposes;

H.R. 8694. An act to authorize the Starr-Camargo Bridge Co. to construct, maintain, and operate a toll bridge across the Rio Grande, at or near Rio Grande City, Tex.;

H.J. Res. 478. Joint resolution relating to permanent residence and deportation of certain aliens; and

H.J. Res. 479. Joint resolution relating to the entry of certain aliens.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6904. An act to establish an Advisory Commission on Intergovernmental Relations.

The message also announced that the Senate insists on its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MUSKIE, Mr. HUMPHREY, and Mr. MUNDT to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills, a joint resolution, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 155. An act to amend the Federal Property and Administrative Services Act of 1949 so as to permit donations of surplus property to certain educational institutions;

S. 857. An act to authorize the Administrator of General Services to convey certain lands in the State of Wyoming to the city of Cheyenne, Wyo.;

S. 1193. An act for the relief of Eleanor Constan;

S. 1431. An act to provide for the establishment of a Commission on Metropolitan Problems;

S. 1537. An act to establish a national mining and minerals policy;

S. 1605. An act granting the consent of Congress to the States of Kansas and Nebraska to negotiate and enter into a compact relating to the apportionment of the waters of the Big Blue River and its tributaries as they affect such States;

S. 1703. An act for the relief of Raul Jorge Jose Hermitte;

S. 1806. An act to revise title 18, chapter 39, of the United States Code, entitled "Explosives and Combustibles";

S. 1870. An act to provide for examination, licensing, registration, and for regulation of professional and practical nurses, and for nursing education in the District of Columbia, and for other purposes;

S. 1892. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Norman project, Oklahoma, and for other purposes;

S. 2061. An act to authorize the issuance of prospecting permits for phosphate in lands belonging to the United States;

S. 2309. An act for the relief of Gim Bong Wong;

S. 2319. An act for the relief of Sergiusz Rudczenko;

S. 2362. An act to authorize the Secretary of the Army to convey to the city of Arlington, Oreg., certain lands at the John Day lock and dam project;

S. 2379. An act to donate to the Nez Perce Tribe of Idaho approximately 11.25 acres of Federal land in Idaho County, Idaho;

S. 2431. An act to provide for the striking of medals in commemoration of the 100th anniversary of statehood of the State of Kansas;

S. 2439. An act to authorize certain teachers in the public schools of the District of Columbia to count as creditable service for retirement purposes certain periods of authorized leave without pay taken by such teachers for educational purposes;

S. 2445. An act authorizing the conferring of the degree of master of arts in education on certain students who enrolled in the District of Columbia Teachers College prior to July 1, 1958, and who, prior to July 1, 1961, are certified by the president and faculty of such college as having met all requirements for the granting of such degree;

S. 2449. An act to extend the International Wheat Agreement Act of 1949;

S. 2454. An act to provide for the striking of medals in commemoration of the one hundredth anniversary of the founding of the Pony Express;

S. 2466. An act to authorize the establishment of a Junior College Division within the District of Columbia Teachers College, and for other purposes;

S. 2467. An act to authorize the development of plans and arrangements for the provision of emergency assistance, and the provision of such assistance, to repatriated American nationals without available resources, and for other purposes;

S. 2517. An act to amend section 7 of the Federal Home Loan Bank Act, as amended;

S. 2568. An act to amend the Atomic Energy Act, as amended, with respect to cooperation with the States;

S. 2569. An act to amend the Atomic Energy Act of 1954, as amended;

S. 2611. An act to amend the Small Business Investment Act of 1958, and for other purposes; and

S. 2633. An act to amend the Foreign Service Act of 1946, as amended, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1575. An act to amend the act of August 1, 1958, to authorize and direct the Secretary of the Interior to undertake continuing studies of the effects of insecticides, herbicides, fungicides, and other pesticides, upon fish and wildlife for the purpose of preventing losses of those invaluable natural resources, and for other purposes;

S. 1845. An act to provide for the establishment of rates of basic compensation for certain positions in the Patent Office in the Department of Commerce, and for other purposes;

S. 2208. An act to provide that Alaska and Hawaii be eligible for participation in the distribution of discretionary funds under section 6(b) of the Federal Airport Act; and

S. 2504. An act to authorize the sale at market prices of agricultural commodities owned by the Commodity Credit Corporation to provide feed for livestock in areas determined to be emergency areas, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to the bill (S. 2162) entitled "An act to provide a health benefits program for Government employees," with amendments in which the concurrence of the House is requested.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7629) entitled "An act to make permanent the authority of the Secretary of Agriculture to make loans under section 17 of the Bankhead-Jones Farm Tenant Act, as amended, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2181) entitled "An act to amend the Mineral Leasing Act of February 25, 1920."

The message also announced that the Senate, having proceeded to reconsider the bill (H.R. 9105) entitled "An act making appropriations for civil functions administered by the Department of the Army, certain agencies in the Department of the Interior, and the Tennessee Valley Authority, for the fiscal year ending June 30, 1960, and for other purposes," returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was

Resolved, That the said bill pass, two-thirds of the Senators present having voted in the affirmative.

APPOINTMENTS TO NORTH ATLANTIC TREATY PARLIAMENTARY CONFERENCE

The SPEAKER. The Chair lays before the House the following announcement of appointments to the North Atlantic Treaty Parliamentary Conference.

The Clerk read as follows:

Pursuant to the provisions of Public Law 689, 84th Congress, the Chair appoints as members of the U.S. group of the North Atlantic Treaty Parliamentary Conference the following Members on the part of the House: Mr. HAYS, Ohio, Chairman; Mr. SMITH, Mississippi; Mr. SELDEN, Alabama; Mr. ANFUSO, New York, Mr. MCGOVERN, North Dakota, Mr. CANFIELD, New Jersey; Mr. CORBETT, Pennsylvania, Mrs. CHURCH, Illinois, and Mr. FRELINGHUYSEN, New Jersey.

CORRECTION OF RECORD

Mr. COFFIN. Mr. Speaker, I ask unanimous consent that the gentleman from Maine [Mr. OLIVER] may delete certain passages from his remarks in the Appendix of the RECORD for September 7 wherein he refers to a gentleman of the other body by name, and that he may revise certain other passages in the extension.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

NORTH CAROLINA MINIMUM WAGE LAW AND COMPULSORY COMPENSATION LAW

(Mr. WHITENER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHITENER. Mr. Speaker, on Monday, September 8, at page A7857 of

the RECORD, the remarks of my dear friend and distinguished colleague, the gentleman from New York [Mr. SANTANGELO] under the heading of "Labor Fights for Justice," contains an inaccurate statement which I would like to call to his attention.

I note that he states the following: "The Southern States which have no minimum wages are Alabama" and others and he named the State of North Carolina. I would say to my friend in the spirit of correcting him, because I know he would like to be accurate, that he could not be more inaccurate than he was when he made the statement that my State of North Carolina does not have a minimum wage law.

He was equally in error when he made the statement in the next paragraph that North Carolina does not have a compulsory compensation law.

Reference to the General Statutes of North Carolina will indicate clearly to my good friend that he has made an error; and I am sure it was lapsus linguae instead of intentional.

AMENDING FEDERAL BOATING ACT OF 1958

Mr. BONNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8728) to amend the Federal Boating Act of 1958 to extend for an additional year the period when certain provisions of that act will take effect, with Senate amendments thereto, and concur in the Senate amendments:

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause and insert: "That (a) paragraph (8) of subsection (c) of section 3 of the Federal Boating Act of 1958 is amended by striking out 'April 1, 1960,' and inserting in lieu thereof 'April 1, 1961,'.

"(b) Subsection (b) of section 11 of the Federal Boating Act of 1958 is amended by striking out 'April 1, 1960.' and inserting in lieu thereof 'April 1, 1961.'.

"(c) Section 12 of the Federal Boating Act of 1958 is amended by striking out 'April 1, 1960.' and inserting in lieu thereof 'April 1, 1961.'."

Amend the title so as to read: "A bill to amend the Federal Boating Act of 1958 to extend until April 1, 1961, the period when certain provisions of that Act will take effect."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

Mr. FOUNTAIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6904) to establish an Advisory Commission on Intergovernmental Relations, with Senate amendment thereto, disagree to the Senate amendment, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. GROSS. Mr. Speaker, reserving the right to object, what happened in the other body in connection with the establishment of this new Commission?

Mr. FOUNTAIN. I will say to the gentleman from Iowa that the only material change made by the Senate is that of increasing the membership of the Commission from 25 to 27 by the addition of 2 county representatives.

Mr. GROSS. Of course, that tends to make it somewhat more expensive?

Mr. FOUNTAIN. Naturally, it would increase the cost to some extent.

Mr. GROSS. Were any increases made in connection with the staff that will be established in connection with the Commission?

Mr. FOUNTAIN. That is the only material change made in the bill.

Mr. GROSS. The addition of two members to the Commission. That is the only substantial change in the bill?

Mr. FOUNTAIN. That is right.

Mr. GROSS. Mr. Speaker, I opposed this bill when it was before the House. It is another waste of the taxpayers' money. I am not going to try to force a vote on the passage of the bill because the RECORD already shows my position, but I want the RECORD to show I am still opposed to this measure and the creation of another unnecessary and expensive Commission.

Mr. FOUNTAIN. The gentleman from Iowa so expressed himself very clearly during debate on this bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none and appoints the following conferees: Mr. FOUNTAIN, Mr. BROOKS of Louisiana, and Mrs. DWYER.

MRS. BARBARA MAY BOSWELL

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 6884) for the relief of Mrs. Barbara May Boswell, with Senate amendment thereto and concur into the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 7, strike out all after "Act" down to and including "impose" in line 11.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

CHENG, FU SHENG, AND LIN, FU-MEI

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 384.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There being no objection, the Clerk read the House resolution, as follows:

Resolved, That the House of Representatives does not approve the granting of permanent residence in the United States to the aliens hereinafter named in which cases the Attorney General has submitted reports to the Congress pursuant to section 6 of the Refugee Relief Act of 1953, as amended (67 Stat. 403; 68 Stat. 1044):

A-10491862, Cheng, Fu Sheng.
A-8922627, Lin, Fu-Mei.

The House resolution was agreed to and a motion to reconsider was laid on the table.

AMENDING THE ORGANIC ACT OF GUAM

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4603) to amend the Organic Act of Guam for the purpose of permitting the government of Guam, with the consent of the legislature thereof, to be sued, with Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 8, strike out "sued." and insert "sued upon contract entered into with respect to, or any tort committed incident to, the exercise by the government of Guam of any of its lawful power." "

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Senate amendment was concurred in and a motion to reconsider was laid on the table.

AMENDING SECTION 1 OF THE ACT OF JUNE 14, 1926, AS AMENDED BY THE ACT OF JUNE 4, 1954 (68 STAT. 173; 43 U.S.C. 869)

Mr. ASPINALL submitted the following conference report and statement on the bill (S. 1436) to amend section 1 of the act of June 14, 1926, as amended by the act of June 4, 1954 (68 Stat. 173; 43 U.S.C. 869):

CONFERENCE REPORT (H. REPT. No. 1177)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 1436) to amend section 1 of the act of June 14, 1926, as amended by the Act of June 4, 1954 (68 Stat. 173; 43 U.S.C. 869), having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill, and agree to the same with an amendment as follows: In lieu of the language inserted by the House amendment insert the following: "That subsection (b) of section 1 of the Act of June 14, 1926, as amended by the Act of June 4, 1954 (68 Stat. 173, 174; 43 U.S.C. 869), is further amended to read as follows:

"'(b) Conveyances made in any one calendar year shall be limited as follows:

"'(1) For recreational purposes:

"'(A) To any State, for not more than three sites, six thousand four hundred acres in all, except that during each of the calendar years 1960, 1961 and 1962, conveyances

HOUSE

16. ELECTRIFICATION. Rep. Burdick urged a Congressional investigation of "politics" in the REA program. He charged that, although the REA Administrator "must keep politics strictly out of his agency ... under an act" of Congress, the Administrator "was ordered by Secretary Benson to go out and build support for the Administration's REA legislation," and inserted several USDA memoranda which he contended substantiated his charge. He also contended that the Secretary had not administered farm program economically. pp. 17663-6

17. SMALL BUSINESS; DAIRY INDUSTRY. Rep. Patman reviewed the activities, progress, and recommendations of the Select Committee on Small Business in the 1st session of the 86th Congress. He stated that the Committee had assisted small businessmen in the joint agricultural-commercial activities to secure Government financial aid. He stated that one subcommittee found that price discrimination is the principal weapon used by big dairies to suppress the small dairies and listed several legislative recommendations to alleviate the problems of small dairies. He also covered the findings of investigations into the poultry industry, Government procurement, taxation, and distribution problems of small business. pp. 17672-80

Both Houses

18. INTERGOVERNMENTAL RELATIONS. Received and agreed to the conference report on H. R. 6904, to establish an Advisory Commission on Intergovernmental Relations (H. Rept. 1184) (pp. 17653-4, 17681). The conference report is substantially the same as the House version of the bill except that the report changes the number and composition of members on the Commission. The Commission would serve in an advisory capacity to the President, Congress, and State and local governments. Its function would be to provide information and to make recommendations to facilitate governmental policies on intergovernmental activities and problems. The Commission would have no administrative responsibilities and each department would be directed to provide it with needed information.

19. INSPECTION SERVICES; IMPORTS. Agreed to the Senate amendment to H. R. 8694, to authorize the construction of a toll bridge across the Rio Grande, at or near Rio Grande City, Tex., and concurred in the Senate amdndments to H. R. 8582, to authorize the construction of a toll bridge across the Rio Grande near Los Indios, Tex. (p. 17651). These bills will now be sent to the President. Both bills would affect this Department's inspection service costs regarding imports.

20. INTEREST RATES. Both Houses received and agreed to the conference report on H. R. 9035, to permit the issuance of series E and H U. S. savings bonds at interest rates above the existing maximum, and to permit the Secretary of the Treasury to designate certain exchanges of Government securities to be made without recognition of gain or loss (H. Rept. 1183) (pp. 17650, 17667-72, 17681, 17655-6, 17740-7, 17695-7). This bill will now be sent to the President. The conference report includes a Senate amendment that interest rates cannot be raised to over 4½%. Thus, the bill authorizes the setting of interest rates on savings bonds to any point above the present ceiling of 3.26% but no higher than 4¼%.

21. AREA REDEVELOPMENT. Rep. Stratton stated that the "one unfortuate portion" of the 86th Congressional record is the failure to act on area redevelopment legislation, still in the Rules Committee. pp. 17658-9

22. CONGRESSIONAL ACCOMPLISHMENTS. Rep. Vanik referred to this Congress as one of the most "diligent" in recent years and reviewed some of its activities including housing, interest rates and other matters. pp. 17659-61

23. PERSONNEL; ANNUITIES. Rep. Dulski explained his bill, H. R. 8289, to accelerate the commencing date of civil service retirement annuities. p. 17655

24. CONTRACTS; RESEARCH. Received from GSA a report providing information on contracts negotiated for experimental, developmental, or research work during the 6-month period ending June 30, 1959. p. 17681

25. AIR POLLUTION. The "Daily Digest" states that conferees agreed to file a conference report on H. R. 7476, to extend the Air Pollution Control Act, and that the conferees agreed to the Senate language extending the Act for 4 years. p. D917

26. ADJOURNMENT. Agreed to a concurrent resolution providing that when the two Houses adjourn on Mon., Sept. 14, that they stand adjourned sine die. p. 17654

ITEMS IN APPENDIX

27. PUBLIC POWER. Extension of remarks of Sen. Engle and insertion of an editorial defending Federal public power. pp. A8059-60

Extension of remarks of Rep. Oliver discussing the industrial advantages to the New England States which would result from construction of the proposed Passamaquoddy tidal power project. pp. A8089-90

28. FOREIGN AID. Rep. McIntire inserted a legislative draft prepared by an interested citizen which would establish, among other things, an "Intercontinenta Market Place" to assist in the interchange of goods and commodities between countries. p. A8060

29. RECREATION. Sen. Yarborough inserted several newspaper articles and extended remarks favoring establishment of a national seashore area on Padre Island, Tex. pp. A8066-7

30. IMPORTS. Extension of remarks of Rep. Knox concerning the affect of foreign imports on U. S. industry and insertion of two recent reports on foreign mass-producing industries. pp. A8068-9

Extension of remarks of Rep. Dorn stating that "when farm imports exceed farm exports in our country with its overwhelming farm surpluses it is a national calamity and unbelievable" and insertion of figures on farm imports. pp. A8083

31. RESEARCH. Sen. Javits inserted a Small Business Administration announcement of the formation of a small business research and development pool, the first to be established under amendments to the Small Business Act passed by Congress last year. p. A8070-1

32. ALASKA. Sen. Bartlett inserted a newspaper article giving a report on Alaska agriculture which was the result of an interview with Sterling R. Newell, of this Department. p. A8073

33. ITEM VETO. Sen. Byrd inserted and discussed a newspaper editorial favoring legislation to provide item veto power. pp. A8073-4

34. PUBLIC WORKS. Sen. Yarborough inserted a newspaper editorial "Progressive Public Works Hurt by 'Pork Barrel' Slur. pp. 8078-9

86TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } { No. 1184

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SEPTEMBER 12, 1959.—Ordered to be printed

Mr. FOUNTAIN, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 6904]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6904) to establish an Advisory Commission on Intergovernmental Relations, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, hereinafter referred to as the "Commission".

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest cooperation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance of its duties, will—

(1) bring together representatives of the Federal, State, and local governments for the consideration of common problems;

(2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;

(3) give critical attention to the conditions and controls involved in the administration of Federal grant programs;

(4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;

(5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation;

(6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government; and

(7) recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

MEMBERSHIP OF THE COMMISSION

SEC. 3 (a) The Commission shall be composed of twenty-six members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be Members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;

(4) Four appointed by the President from a panel of at least eight Governors submitted by the Governors' Conference;

(5) Three appointed by the President from a panel of at least six members of State legislative bodies submitted by the board of managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least eight mayors submitted jointly by the American Municipal Association and the United States Conference of Mayors;

(7) Three appointed by the President from a panel of at least six elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), (6), and (7) of subsection (a), not more than two shall be from any one political party; of each class of members enumerated in paragraphs (5), (6) and (7) of subsection (a), not more than one shall be from any one State; at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) The term of office of each member of the Commission shall be two years, but members shall be eligible for reappointment.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The President shall convene the Commission within ninety days following enactment of this Act at such time and place as he may designate for the Commission's initial meeting.

(b) The President shall designate a Chairman and a Vice Chairman from among members of the Commission.

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs 4, 5, 6, and 7 of sections 3(a), each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least two names for each vacancy.

(d) Where any member ceases to serve in the official position from which originally appointed under section 3(a), his place on the Commission shall be deemed to be vacant.

(e) Thirteen members of the Commission shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act;

(2) to consider, on its own initiative, ways and means for fostering better relations between the levels of government;

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member authorized by the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of, and remove a staff director without regard to the civil service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil service laws and the

Classification Act of 1949, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of, and remove such other personnel as he deems necessary

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals.

(e) Except as otherwise provided in this Act, persons in the employ of the Commission under subsections (c) and (d)(1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267),

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103),

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842).

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

Sec. 7. (a) Members of the Commission who are Members of Congress, officers of the exccutive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel expenses (or, in the alternative, a per diem in lieu of subsistence and mileage not to exceed the rates prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842), the Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.

AUTHORIZATION OF APPROPRIATIONS

Sec. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

And the Senate agree to the same.

L. H. Fountain,
Overton Brooks,
Florence P. Dwyer,
Managers on the Part of the House.

Edmund S. Muskie,
Hubert H. Humphrey,
Karl E. Mundt,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6904) to establish an Advisory Commission on Intergovernmental Relations, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The amendment of the Senate strikes out all of the House bill after the enacting clause and inserts a substitute. The House recedes from its disagreement to the amendment of the Senate, with an amendment which is substitute for both the House bill and the Senate amendment.

Except for clerical and conforming amendments, the conference substitute is substantially the same as the House bill, except as follows:

The House bill provided for a membership of 25 members on the Advisory Commission on Intergovernmental Relations; the Senate amendment provided for a membership of 27 members. The conference substitute provides for a membership of 26 members on the Commission.

The House bill provided that two members of the Commission were to be appointed from a panel of at least four elected county officers submitted by the National Association of County Officials; the Senate amendment provided that four members were to be appointed from a panel of at least eight elected county officers so submitted. The conference substitute provides that three members of the Commission are to be appointed from a panel of at least six elected county officers submitted by such association. Under the conference substitute, not more than two of the three members appointed from such panel may be from any one political party.

The conferees express the hope that in selecting a panel of county officers for submission to the President, the National Association of County Officials will give consideration to all qualified county officers, regardless of whether or not they are affiliated with the association.

L. H. Fountain,
Overton Brooks,
Florence P. Dwyer,
Managers on the Part of the House.

○

Mr. McCORMACK. That is the only expense I can see.

I may say that the gentleman from Virginia [Mr. SMITH] introduced a companion resolution, House Joint Resolution 412, and I want the RECORD to show that while it is a pleasure for me to submit this request because the late Admiral Byrd and I were very close friends, and he was a very great American, yet I am doing so at the request of and for the gentleman from Virginia [Mr. SMITH].

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

Mr. FOUNTAIN submitted the following conference report and statement on the bill (H.R. 6904) to establish an Advisory Commission on Intergovernmental Relations:

CONFERENCE REPORT (H. REPT. No. 1184)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6904) to establish an Advisory Commission on Intergovernmental Relations, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

"SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, hereinafter referred to as the 'Commission'.

"DECLARATION OF PURPOSE

"SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest cooperation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

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"AUTHORIZATION OF APPROPRIATIONS

"SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act."

And the Senate agree to the same.

L. H. FOUNTAIN,
OVERTON BROOKS,
FLORENCE P. DWYER.
Managers on the Part of the House.

EDMUND S. MUSKIE,
HUBERT H. HUMPHREY,
KARL E. MUNDT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6904) to establish an Advisory Commission on Intergovernmental Relations, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

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The conferees express the hope that in selecting a panel of county officers for submission to the President, the National Association of County Officials will give consideration to all qualified county officers, regardless of whether or not they are affiliated with the association.

L. H. FOUNTAIN,
OVERTON BROOKS,
FLORENCE P. DWYER,
Managers on the Part of the House.

Mr. FOUNTAIN. Mr. Speaker, I call up the conference report on the bill (H.R. 6904) to establish an Advisory Commission on Intergovernmental Relations, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the statement.

The conference report was agreed to, and a motion to reconsider was laid on the table.

DATE OF MEETING OF SECOND SESSION

Mr. McCORMACK. Mr. Speaker, I offer a House joint resolution and ask unanimous consent for its immediate consideration.

The Clerk read the House joint resolution as follows:

HOUSE JOINT RESOLUTION 531

Resolved, That the second regular session of the Eighty-sixth Congress shall begin at noon on Wednesday, January 6, 1960.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DOCUMENTARY EVIDENCE IN POSSESSION OF THE HOUSE OF REPRESENTATIVES

Mr. McCORMACK. Mr. Speaker, I offer a House resolution and ask unanimous consent for its immediate consideration.

The Clerk read the House resolution, as follows:

HOUSE RESOLUTION 389

Whereas by the privileges of this House no evidence of a documentary character under the control and in the possession of the House of Representatives can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession except by its permission: Therefore be it

Resolved, That when it appears by the order of any court in the United States or a judge thereof, or of any legal officer charged with the administration of the orders of such court or judge, that documentary evidence in the possession and under the control of the House is needful for use in any court of justice or before any judge or such legal officer, for the promotion of justice, this House will take such action thereon as will promote the ends of justice consistently with the privileges and rights of this House; be it further

Resolved, That during any recess or adjournment of the Eighty-sixth Congress, when a subpena or other order for the production or disclosure of information is by the due process of any court in the United States served upon any Member, officer, or employee of the House of Representatives, directing appearance as a witness before the said court at any time and the production of certain and sundry papers in the possession and under the control of the House of Representatives, that any such Member, officer, or employee of the House, be authorized to appear before said court at the place and time named in any such subpena or order, but no papers or documents in the possession or under the control of the House of Representatives shall be produced in response thereto; and be it further

Resolved, That when any said court determines upon the materiality and the relevancy of the papers or documents called for in the subpena or other order, then said court, through any of its officers or agents shall have full permission to attend with all proper parties to the proceedings before said court and at a place under the orders and control of the House of Representatives and take copies of the said documents or papers and the Clerk of the House is authorized to supply certified copies of such documents that the court has found to be material and relevant (except that under no circumstances shall any minutes or transcripts of executive sessions, or any evidence of witnesses in respect thereto be disclosed or copied), nor shall the possession of said documents and papers by any Member, officer, or employee of the House be disturbed or removed from their place of file or custody under said Member, officer, or employee; and be it further

Resolved, That a copy of these resolutions be transmitted by the Clerk of the House to any of said courts whenever such writs of subpena or other orders are issued and served as aforesaid.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The House resolution was agreed to, and a motion to reconsider was laid on the table.

AUTHORIZING THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE TO SIGN ENROLLED BILLS

Mr. McCORMACK. Mr. Speaker, I offer a House concurrent resolution and ask unanimous consent for its immediate consideration.

The Clerk read as follows:

HOUSE CONCURRENT RESOLUTION 439

Resolved by the House of Representatives (the Senate concurring), That notwithstanding the sine die adjournment of the two Houses, the Speaker of the House of Representatives and the President of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The House concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

ADJOURNMENT OF CONGRESS SINE DIE

Mr. McCORMACK. Mr. Speaker, I offer a preferential House concurrent resolution for immediate consideration.

The Clerk read as follows:

HOUSE CONCURRENT RESOLUTION 440

Resolved, That the two Houses of Congress shall adjourn on Monday, September 14, 1959, and that when they adjourn on said day, they stand adjourned sine die.

The House concurrent resolution was agreed to.

gress in the light of the appropriations we have passed.

Six to eight months will have elapsed since the programs were first presented to the budget, and they have gone through the House and the Senate, and lots of things are changed in that time. In addition, the programs have to be revised to reflect the funds actually appropriated. We fully recognize that it may not be possible or even desirable for the executive branch to reprogram all of the appropriated funds in detail within 60 days. However, by that time the executive branch certainly should have made decisions as to the major program elements. We want the Congress to be fully informed as to the changes that have been made. As additional details are worked out, I would expect them to be passed along to the Congress, so the Congress will always be kept currently and fully advised about the program.

Generally speaking, I would say, if I understand the statement made by the distinguished Senator from Massachusetts, his understanding of the purpose of the amendment is correct.

Mr. SALTONSTALL. I thank the Senator. Mr. President, I should like to ask the chairman of the Appropriations Committee a question with relation to section 111 of the bill, and if he agrees with me, I have a statement to make to the Senator from Virginia [Mr. ROBERTSON] who is interested in that section.

The reason for my question is that I would like to make a motion to strike out section 111.

Section 111 relates to an employee "who has left employment with International Cooperation Administration within 2 years from the date of employment with said person, organization, company, or concern or any of its affiliates."

I have talked with the Representative from Louisiana [Mr. PASSMAN], who managed this bill and he has agreed that the amendment goes much further than he believes it should go.

Under the language as it is included in this bill, an elevator boy, for example, who had been working for the ICA would be prevented from accepting employment specified in the amendment.

If the Senator from Arizona [Mr. HAYDEN] and the Senator from Virginia [Mr. ROBERTSON] agree, I should like to offer an amendment, and if the amendment is accepted, to strike out this language so the section will go to conference, and we can rewrite the section in conference in a way which will be agreeable to the House and to the Senate.

Mr. BYRD of Virginia. I think it is highly desirable that the entire paragraph go to conference.

Mr. ROBERTSON. Mr. President, the attention of the junior Senator from Virginia has been directed to the very restrictive provisions in the House bill which prohibited employment for a period of 2 years of anyone who had previously been employed by ICA and he, at the suggestion of the Director of the ICA, thought he would ease that restriction a bit by rewording of the language so that it would not apply to nonprofit organizations. Now he understands, in a way, the amendment makes the original one more difficult than ever.

Since the chairman of the House subcommittee who will handle this section in conference would prefer that we remove the House language completely and then to send it to a conference, the Senator from Virginia has no objection to the request of the Senator from Massachusetts to eliminate this section.

Mr. SALTONSTALL. I thank the Senator. I move to strike out Section 111.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. KEATING. I yield.

Mr. CLARK. I would like to express my concurrence in the views stated by the Senator from Massachusetts that this section is entirely too broad. It would be quite unworkable, and would be unfair to corporations dealing with the Government.

Mr. JOHNSON of Texas. Mr. President, the distinguished chairman of the Foreign Relations Committee assured me he would move to strike out section 111, and so I am glad the Senator from Massachusetts has made that motion.

Mr. SALTONSTALL. I should be glad to have the majority leader make the motion.

Mr. JOHNSON of Texas. I merely wanted the Senator from Massachusetts [Mr. SALTONSTALL] to know he was supported in his position by the Committee on Foreign Relations. He had intended to make that motion himself.

The PRESIDING OFFICER. The question is on the motion of the Senator from Massachusetts to strike out section 111.

The motion was agreed to.

Mr. MUSKIE. Mr. President, I call up my amendment.

The PRESIDING OFFICER. The amendment submitted by the Senator from Maine will be stated.

The CHIEF CLERK. On page 19, after line 12, it is proposed to insert:

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

For expenses necessary for the Advisory Commission on Intergovernmental Relations, $100,000: *Provided*, That this appropriation shall be effective only upon the enactment into law of H.R. 6904.

Mr. HAYDEN. Mr. President, I have conferred with the members of the committee; and we accept the amendment.

Mr. MUSKIE. I thank the Senator from Arizona.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Maine.

The amendment was agreed to.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS—CONFERENCE REPORT

Mr. MUSKIE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6904) to establish an Advisory Commission on Intergovernmental Relations. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read, for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MUSKIE. Mr. President, the report is unanimous; it is signed by all the managers on the part of both the House and the Senate.

Mr. President, I ask unanimous consent to have printed in the RECORD, the statement, contained in the report of the managers on the part of the House explaining the conference report.

The PRESIDING OFFICER. Without objection, it is so ordered.

(For statement by the managers on the part of the House, explaining the conference report, see House proceedings of today.)

Mr. KEATING. Mr. President, will the Senator from Maine yield?

Mr. MUSKIE. I am happy to yield.

Mr. KEATING. Does the conference report call for a substantial change?

Mr. MUSKIE. The only change is in the county representation. The conference report calls for a decrease from four to three in the county representation provided in the Senate version of the bill; and the conference report calls for an increase from two to three in the county representation called for by the House version of the bill. In other words, the conference report provides for a compromise at three.

Mr. KEATING. I thank the Senator from Maine.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

Mr. MUSKIE. Mr. President, I move that the vote by which the report was agreed to be reconsidered.

Mr. JOHNSON of Texas. Mr. President, I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

PREMIER KHRUSHCHEV'S VISIT

Mr. RANDOLPH. Mr. President, yesterday I mailed a letter to Premier Nikita Khrushchev. My message was one of, perhaps, hundreds which will be sent to Mr. Khrushchev following an invitation published in Parade magazine on last Sunday. Parade editors suggested that it would be appropriate for citizens of the United States to write to Mr. Khrushchev. Parade further indicated that the communications would be delivered to the Soviet spokesman at the Russian Embassy in Washington, D.C., shortly after his arrival in the National Capital.

Mr. President, I was so moved by the appealing article in the form of a letter to Mr. Khrushchev in Parade that I was impelled, because of the request and the manner in which it was couched, to comply with the proposal that men and women set down the thoughts they would voice to the Communist leader if

they were given the opportunity to talk with our guest.

With the indulgence of the Senate, I shall read approximately 200 words, the editors of Parade having indicated that the letters should be kept within that length:

U.S. SENATE,
September 11, 1959.

Premier NIKITA KHRUSHCHEV,
Care of Parade,
New York, N.Y.

DEAR MR. KHRUSHCHEV: You have been asked to visit the United States so that you may learn the truth about life in our land. You have been urged to see the steel mills of Pittsburgh, the villages of New England, and the corn fields of Iowa. Our Secretary of Defense has invited you to inspect our missile bases—and one of our greatest poets has suggested that you visit Harvard University.

All of this, Mr. Khrushchev, is so that you may know the strength and variety of America. And yet, the final source of our strength is something you must arrive at by knowledge of the heart, not of the head. It is the same source of strength that sustained the millions of Europeans—many from Czarist Russia—in their journey across the Atlantic.

It is the belief in the dignity of men—not man as a cosmic abstraction—but men as living, breathing, loving individuals who know the meaning of joy and pain. It is the belief in freedom as the right to choose. It is the belief that free men can and will create a future of finer worth for the individual.

This is what we mean by freedom in America, Mr. Khrushchev. It is not perfect, and it is not complete. But neither is it merely capitalistic fiction, nor a bourgeois dream.

We know that we have work to do to make our ideals a reality for all of our citizens. But this we believe: as a free nation we will reserve the rights and responsibilities of free men and women—here and among our allies—to follow the path of their own choosing. Our path is still the one blazed by Walt Whitman when he declared, "Produce great persons, all else follows."

I hope, Mr. Khrushchev, that during your journey you will come to know the deep meaning this statement has for the free citizens of the United States.

Sincerely,

JENNINGS RANDOLPH.

Mr. President, we in West Virginia have a State motto: "Montani Semper Liberi—Mountaineers Are Always Free."

It is our feeling that the source of strength which comes from such a motto is not only symbolic of our own citizenry, within the State of West Virginia, but is a challenge providing for a sense of devotion to personal freedom in the United States.

Mr. President, on September 6 there was published in the Washington Post and Times Herald the Gallup poll results which indicate that citizens around the world approve of the visits between the President of the United States and the Premier of the Soviet Union. The poll was conducted not only by means of a sampling of the opinions of men and women in the United States, but also through a sampling of the opinions of people in 12 other countries of the earth. I ask unanimous consent that the article, with its comment and its compilation figures be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CITIZENS AROUND WORLD APPROVE BOTH VISITS

(By George Gallup, director, American Institute of Public Opinion)

PRINCETON, N.J., September 5.—Despite criticism from certain U.S. officials, the forthcoming Eisenhower-Khrushchev exchange of visits meets with a resounding endorsement from citizens around the globe.

In Paris, New Delhi, West Berlin, New York, and other key cities of the non-Communist world the approval of both the Khrushchev and the Eisenhower visits averages over 70 percent.

And the man in the street in Moscow is just as enthusiastic as is his counterpart in the other major cities.

On few issues covered by the World Gallup Poll has such widespread international agreement been found.

Behind the overwhelming approval of the history-making venture in personal diplomacy are two important factors:

1. There is little fear evident in any of the world opinion centers included in the survey that such an exchange means any softening of basic U.S. attitudes toward communism. The prevailing interpretation put on the American decision by citizens around the world is that such a move is mainly an effort to reduce tensions.

2. Although few citizens in any of the major cities are hopeful of a great deal of progress toward easing tension, a considerable body of opinion holds that at least some steps in this direction may result from the exchange.

In only one nation did disapproval of the visit run higher than 20 percent. That came, interestingly enough, in the United States.

Here is how the views in the 13 nations—as reflected by interviews in major cities—line up on the Khrushchev visit to the United States:

[Percent]

	Approve	Disapprove	No opinion
Holland (The Hague)	89	8	3
West Germany (Berlin)	84	6	10
Canada (Toronto)	78	10	12
Italy (major cities)	78	8	14
Finland (Helsinki)	77	1	22
England (nationwide)	76	7	17
Uruguay (Montevideo)	74	2	12
France (Paris)	74	4	22
Greece (Athens)	73	4	23
Switzerland (Geneva)	70	18	12
Norway (Oslo)	65	11	24
United States (major cities)	64	23	13
India (New Delhi)	44	(1)	56

[1] Less than 1 percent.

And here are the views on the forthcoming visit of Mr. Eisenhower to the Soviet Union:

[Percent]

	Approve	Disapprove	No opinion
Holland	89	7	4
West Germany	88	5	7
Canada	82	8	10
Finland	79	1	20
Italy	78	7	15
England	76	6	18
Uruguay	73	3	24
France	73	5	22
Greece	71	6	23
Switzerland	71	18	11
United States	70	18	12
Norway	66	11	23
India	42	1	57

In this first sampling of public opinion in the Soviet capital ever made in conjunction with polling efforts in other nations, obviously the poll did not follow established scientific and objective procedures which characterize most survey efforts in other nations. Yet it is representative of many segments of Moscow society.

Mr. RANDOLPH. Mr. President, the Spirit of Jefferson-Farmers Advocate, an excellent newspaper published in Charlestown, Jefferson County, W. Va., set forth under the title "Visit by Mr. K" its major editorial in the issue dated September 10. I ask unanimous consent that the thoughtful observations be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VISIT BY MR. K.

It seems to us that all the criticism of President Eisenhower for inviting Nikita Khrushchev is unwarranted. Quite contrary to what the critics of the visit are saying, no royal carpet is being rolled out. It would be well for the American people to put the visit in perspective: It represents a sincere attempt by an American President to in some way ease the international tension. There can be no harm in talking to Mr. Khrushchev. After all, whether we like it or not—and we don't—he is the spokesman for a world power that will not disappear in spite of all our wishing. It would be very nice indeed if Mr. Khrushchev and all he stands for would vanish, but unfortunately Russia is a fact and Mr. Khrushchev is a fact. The main argument against the visit is that it may serve to discourage the captive nations in their hope for eventual freedom. There is merit to this argument, but not sufficient merit to foreclose the hope that by negotiation another may be avoided.

We hope the President every success in his venture in personal diplomacy. The world is sick of worry and anxiety and the constant threat of war. If talks by President Eisenhower and Khrushchev can help to abate the tensions we are for them.

Mr. RANDOLPH. Mr. President, I realize that the forthcoming exchange of visits involves a certain amount of peril. But I also realize—and I state this with vigor and with conviction to my colleagues—that the exchange of visits carries with it significant promise. In this instance, I prefer to stand on the side of promise, rather than to kneel on the side of peril.

I am sure that the element of fear is engendered by the prospective visits between the leaders of the United States and the Soviet Union. Yet I wish very much to believe—and I so state—that in this effort there is also the substance of faith.

The path to peace is a continuing search. The overriding concern of unnumbered millions of humans calls for forbearance and forthrightness. But we must never cease in our quest.

Mr. President, again I express appreciation to my colleague, the Senator from New York [Mr. JAVITS], for yielding to me at this time for these observations.

Mr. JAVITS. I thank my colleague.

COMMITMENTS BY THE FEDERAL GOVERNMENT TO THE STATES IN CONNECTION WITH THE ROAD PROGRAM

Mr. GORE. Mr. President, I should like to read to the Senate a telegram I have received from Gov. Edmund G. Brown, of the State of California:

Public Law 86-380
86th Congress, H. R. 6904
September 24, 1959

AN ACT

To establish an Advisory Commission on Intergovernmental Relations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

Advisory Commission on Intergovernmental Relations.

SECTION 1. There is hereby established a permanent bipartisan commission to be known as the Advisory Commission on Intergovernmental Relations, hereinafter referred to as the "Commission".

DECLARATION OF PURPOSE

SEC. 2. Because the complexity of modern life intensifies the need in a federal form of government for the fullest cooperation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance of its duties, will—

(1) bring together representatives of the Federal, State, and local governments for the consideration of common problems; 73 STAT. 703.

(2) provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation; 73 STAT. 704.

(3) give critical attention to the conditions and controls involved in the administration of Federal grant programs;

(4) make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;

(5) encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation;

(6) recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government; and

(7) recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall be composed of twenty-six members, as follows:

(1) Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;

(2) Three appointed by the President of the Senate, who shall be Members of the Senate;

(3) Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;

(4) Four appointed by the President from a panel of at least eight Governors submitted by the Governors' Conference;

(5) Three appointed by the President from a panel of at least six members of State legislative bodies submitted by the board of managers of the Council of State Governments;

(6) Four appointed by the President from a panel of at least eight mayors submitted jointly by the American Municipal Association and the United States Conference of Mayors;

(7) Three appointed by the President from a panel of at least six elected county officers submitted by the National Association of County Officials.

(b) The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), (6), and (7) of subsection (a), not more than two shall be from any one political party; of each class of members enumerated in paragraphs (5), (6) and (7) of subsection (a), not more than one shall be from any one State; at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) The term of office of each member of the Commission shall be two years, but members shall be eligible for reappointment.

73 STAT. 704.
73 STAT. 705.

ORGANIZATION OF THE COMMISSION

SEC. 4. (a) The President shall convene the Commission within ninety days following enactment of this Act at such time and place as he may designate for the Commission's initial meeting.

(b) The President shall designate a Chairman and a Vice Chairman from among members of the Commission.

(c) Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs (4), (5), (6), and (7) of section 3(a), each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least two names for each vacancy.

(d) Where any member ceases to serve in the official position from which originally appointed under section 3(a), his place on the Commission shall be deemed to be vacant.

(e) Thirteen members of the Commission shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

DUTIES OF THE COMMISSION

SEC. 5. It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 2 of this Act;

(2) to consider, on its own initiative, ways and means for fostering better relations between the levels of government;

Reports to President and Congress.

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of government or organization as the Commission may deem appropriate.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 6. (a) The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member authorized by the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

(c) The Commission shall have power to appoint, fix the compensation of, and remove a staff director without regard to the civil service laws and the Classification Act of 1949. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation. 63 Stat. 954. 5 USC 1071 note.

(d) Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil service laws and the Classification Act of 1949, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of, and remove such other personnel as he deems necessary, 73 STAT. 705.

(2) to procure temporary and intermittent services to the same extent as is authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a) but at rates not to exceed $50 a day for individuals. 73 STAT. 706. 60 Stat. 810.

(e) Except as otherwise provided in this Act, persons in the employ of the Commission under subsections (c) and (d)(1) of this section shall be considered to be Federal employees for all purposes, including—

(1) the Civil Service Retirement Act, as amended (5 U.S.C. 2251–2267), 70 Stat. 743.

(2) the Federal Employees' Group Life Insurance Act of 1954, as amended (5 U.S.C. 2091–2103), 68 Stat. 736.

(3) annual and sick leave, and

(4) the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842). 63 Stat. 166.

(f) No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of $20,000 per annum.

COMPENSATION OF COMMISSION MEMBERS

SEC. 7. (a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaried officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel expenses (or, in the alternative, a per diem in lieu of subsistence and mileage not to exceed the rates prescribed in the Travel Expense Act of 1949, as amended), without regard to the Travel Expense Act of 1949, as amended (5 U.S.C. 835–842), the Standardized Government Travel Regulations, or section 10 of the Act of March 3, 1933 (5 U.S.C. 73b), and other necessary expenses incurred by them in the performance of duties vested in the Commission. 63 Stat. 166. 60 Stat. 808.

(b) Members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Approved September 24, 1959.